UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___________ to ___________

Commission file number: 001-37815

Chiron Real Estate Inc.

(Exact name of registrant as specified in its charter)

Maryland	**46-4757266**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
7373 Wisconsin Avenue, Suite 800 **Bethesda, MD**	**20814**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(202) 524-6851**

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common Stock, par value $0.001 per share	XRN	NYSE
Series A Preferred Stock, par value $0.001 per share	XRN PrA	NYSE
Series B Preferred Stock, par value $0.001 per share	XRN PrB	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☑
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. The number of shares of the registrant's common stock outstanding at August 3, 2026 was 13,237,830.

TABLE OF CONTENTS

PART I FINANCIAL INFORMATION

CHIRON REAL ESTATE INC.
Condensed Consolidated Balance Sheets
(unaudited and in thousands, except par values)

	As of	
	June 30, 2026	December 31, 2025
Assets		
Investment in real estate:		
Land	$ 184,445	$ 169,917
Building	1,140,464	1,072,124
Furniture, fixtures and equipment	5,936	—
Site improvements	24,667	25,741
Tenant improvements	69,680	80,397
Acquired lease intangible assets	140,461	144,573
	1,565,653	1,492,752
Less: accumulated depreciation and amortization	(315,923)	(338,096)
Investment in real estate, net	1,249,730	1,154,656
Cash and cash equivalents	10,658	9,084
Restricted cash	2,263	2,805
Real estate loans receivable, net	3,024	—
Tenant and resident receivables, net	6,787	7,225
Due from related parties	728	162
Escrow deposits	2,300	556
Deferred assets	22,041	28,907
Derivative assets	10,898	6,102
Goodwill	5,903	5,903
Investment in unconsolidated joint ventures	32,591	1,781
Other assets	24,855	25,284
Total assets	$ 1,371,778	$ 1,242,465
Liabilities and Equity		
Liabilities:		
Credit Facility, net of unamortized debt issuance costs of $8,979 and $10,476 at June 30, 2026 and December 31, 2025, respectively	$ 632,021	$ 652,699
Notes payable, net of unamortized debt issuance costs of $0 at June 30, 2026 and December 31, 2025	1,096	1,153
Accounts payable and accrued expenses	20,970	18,289
Dividends payable	8,906	12,484
Security deposits	3,287	3,421
Other liabilities	17,617	19,410
Acquired lease intangible liabilities, net	3,816	4,944
Total liabilities	687,713	712,400
Commitments and Contingencies		
Equity:		
Preferred stock, $0.001 par value, 10,000 shares authorized; 6,155 shares and 5,155 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively (liquidation preference of $228,875 and $128,875 at June 30, 2026 and December 31, 2025, respectively)	220,225	124,106
Common stock, $0.001 par value, 100,000 shares authorized; 13,235 shares issued and outstanding at June 30, 2026 and December 31, 2025	13	13
Additional paid-in capital	729,514	729,514
Accumulated deficit	(303,703)	(349,965)
Accumulated other comprehensive income	10,898	6,102
Total Chiron Real Estate Inc. stockholders' equity	656,947	509,770
Noncontrolling interest	27,118	20,295
Total equity	684,065	530,065
Total liabilities and equity	$ 1,371,778	$ 1,242,465

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Condensed Consolidated Statements of Operations
(unaudited and in thousands, except per share amounts)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenue				
Rental revenue	$ 37,060	$ 37,880	$ 75,081	$ 72,475
Resident fees and services	1,841	—	1,841	—
Other income	846	89	889	112
Total revenue	39,747	37,969	77,811	72,587
Expenses				
General and administrative	5,221	6,025	10,310	9,645
Operating expenses	10,034	8,216	19,284	15,800
Depreciation expense	11,443	11,307	22,530	21,614
Amortization expense	3,833	3,984	7,573	7,504
Interest expense	8,806	8,009	16,039	15,176
Total expenses	39,337	37,541	75,736	69,739
Income before other income (expense)	410	428	2,075	2,848
Gain on sale of investment properties	71,881	207	71,881	1,565
Equity loss from unconsolidated joint ventures	(10)	(50)	(21)	(91)
Net income	$ 72,281	$ 585	$ 73,935	$ 4,322
Less: Preferred stock dividends	(2,982)	(1,455)	(5,455)	(2,911)
Less: Net (income) loss attributable to noncontrolling interest	(6,009)	70	(5,939)	(108)
Net income (loss) attributable to common stockholders	**$ 63,290**	**$ (800)**	**$ 62,541**	**$ 1,303**
Net income (loss) attributable to common stockholders per share – basic and diluted	$ 4.78	$ (0.06)	$ 4.73	$ 0.10
Weighted average shares outstanding – basic and diluted	13,235	13,376	13,235	13,375

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(unaudited and in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	$ 72,281	$ 585	$ 73,935	$ 4,322
Other comprehensive income (loss):				
Increase (decrease) in fair value of interest rate swap agreements	3,680	(3,317)	4,796	(8,217)
Total other comprehensive income (loss)	3,680	(3,317)	4,796	(8,217)
Comprehensive income (loss)	75,961	(2,732)	78,731	(3,895)
Less: Preferred stock dividends	(2,982)	(1,455)	(5,455)	(2,911)
Less: Comprehensive (income) loss attributable to noncontrolling interest	(6,327)	338	(6,353)	545
Comprehensive income (loss) attributable to common stockholders	$ 66,652	$ (3,849)	$ 66,923	$ (6,261)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Condensed Consolidated Statements of Equity
(unaudited and in thousands, except per share amounts)

For the Six Months Ended June 30, 2026:

	Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Chiron Real Estate Inc. Stockholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount	Shares	Amount						
Balances, December 31, 2025	13,235	$ 13	5,155	$ 124,106	$ 729,514	$ (349,965)	$ 6,102	$ 509,770	$ 20,295	$ 530,065
Net income	—	—	—	—	—	67,996	—	67,996	5,939	73,935
Issuance of shares of preferred stock, net	—	—	1,000	96,119	—	—	—	96,119	—	96,119
Change in fair value of interest rate swap agreements	—	—	—	—	—	—	4,796	4,796	—	4,796
Stock-based compensation expense	—	—	—	—	—	—	—	—	2,607	2,607
Dividends to common stockholders	—	—	—	—	—	(16,279)	—	(16,279)	—	(16,279)
Dividends to preferred stockholders	—	—	—	—	—	(5,455)	—	(5,455)	—	(5,455)
Dividends to noncontrolling interest	—	—	—	—	—	—	—	—	(1,723)	(1,723)
Balances, June 30, 2026	13,235	$ 13	6,155	$ 220,225	$ 729,514	$ (303,703)	$ 10,898	$ 656,947	$ 27,118	$ 684,065

For the Three Months Ended June 30, 2026:

	Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Chiron Real Estate Stockholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount	Shares	Amount						
Balances, March 31, 2026	13,235	$ 13	5,155	$ 124,106	$ 729,514	$ (360,640)	$ 7,218	$ 500,211	$ 20,439	$ 520,650
Net income	—	—	—	—	—	66,272	—	66,272	6,009	72,281
Issuance of shares of preferred stock, net	—	—	1,000	96,119	—	—	—	96,119	—	96,119
Change in fair value of interest rate swap agreements	—	—	—	—	—	—	3,680	3,680	—	3,680
Stock-based compensation expense	—	—	—	—	—	—	—	—	1,378	1,378
Dividends to common stockholders	—	—	—	—	—	(6,353)	—	(6,353)	—	(6,353)
Dividends to preferred stockholders	—	—	—	—	—	(2,982)	—	(2,982)	—	(2,982)
Dividends to noncontrolling interest	—	—	—	—	—	—	—	—	(708)	(708)
Balances, June 30, 2026	13,235	$ 13	6,155	$ 220,225	$ 729,514	$ (303,703)	$ 10,898	$ 656,947	$ 27,118	$ 684,065

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Condensed Consolidated Statements of Equity
(unaudited and in thousands, except per share amounts)

For the Six Months Ended June 30, 2025:

	Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Chiron Real Estate Inc. Stockholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount	Shares	Amount						
Balances, December 31, 2024	13,374	$ 13	3,105	$ 74,959	$ 734,277	$ (293,736)	$ 18,613	$ 534,126	$ 21,790	$ 555,916
Net income (loss)	—	—	—	—	—	4,214	—	4,214	108	4,322
LTIP Units redeemed for common stock	2	—	—	—	67	—	—	67	(67)	—
Change in fair value of interest rate swap agreements	—	—	—	—	—	—	(8,217)	(8,217)	—	(8,217)
Stock-based compensation expense	—	—	—	—	—	—	—	—	1,879	1,879
Dividends to common stockholders	—	—	—	—	—	(24,077)	—	(24,077)	—	(24,077)
Dividends to preferred stockholders	—	—	—	—	—	(2,911)	—	(2,911)	—	(2,911)
Dividends to noncontrolling interest	—	—	—	—	—	—	—	—	(1,891)	(1,891)
Balances, June 30, 2025	13,376	$ 13	3,105	$ 74,959	$ 734,344	$ (316,510)	$ 10,396	$ 503,202	$ 21,819	$ 525,021

For the Three Months Ended June 30, 2025:

	Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Chiron Real Estate Stockholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount	Shares	Amount						
Balances, March 31, 2025	13,376	$ 13	3,105	$ 74,959	$ 734,344	$ (305,677)	$ 13,713	$ 517,352	$ 20,751	$ 538,103
Net income (loss)	—	—	—	—	—	655	—	655	(70)	585
Change in fair value of interest rate swap agreements	—	—	—	—	—	—	(3,317)	(3,317)	—	(3,317)
Stock-based compensation expense	—	—	—	—	—	—	—	—	1,728	1,728
Dividends to common stockholders	—	—	—	—	—	(10,032)	—	(10,032)	—	(10,032)
Dividends to preferred stockholders	—	—	—	—	—	(1,456)	—	(1,456)	—	(1,456)
Dividends to noncontrolling interest	—	—	—	—	—	—	—	—	(590)	(590)
Balances, June 30, 2025	13,376	$ 13	3,105	$ 74,959	$ 734,344	$ (316,510)	$ 10,396	$ 503,202	$ 21,819	$ 525,021

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Condensed Consolidated Statements of Cash Flows
(unaudited and in thousands)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating activities		
Net income	$ 73,935	$ 4,322
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	22,530	21,614
Amortization of acquired lease intangible assets	6,921	7,046
Amortization of above market leases, net	296	392
Amortization of debt issuance costs	1,514	1,118
Stock-based compensation expense	2,607	1,879
Gain on sale of investment properties	(71,881)	(1,565)
Equity loss from unconsolidated joint ventures	21	91
Other	132	112
Changes in operating assets and liabilities:		
Tenant receivables	331	(402)
Deferred assets	(1,060)	(536)
Other assets and liabilities	(1,673)	(2,059)
Accounts payable and accrued expenses	1,823	2,316
Security deposits	413	83
Net cash provided by operating activities	35,909	34,411
Investing activities		
Purchase of land, buildings, and other tangible and intangible assets and liabilities	(250,929)	(70,468)
Net proceeds from sale of investment properties	211,352	9,111
Investment in unconsolidated joint ventures	(30,892)	—
Real estate notes receivable	(2,917)	
Distribution of capital from unconsolidated joint ventures	60	58
Escrow deposits for purchase of properties	(1,731)	290
Advances made to related parties	(565)	(191)
Capital expenditures on existing real estate investments	(5,175)	(4,576)
Leasing commissions	(917)	(673)
Net cash used in investing activities	(81,714)	(66,449)
Financing activities		
Net proceeds received from preferred stock offering	96,119	—
Repayment of notes payable	(57)	(264)
Proceeds from Credit Facility	241,100	94,500
Repayment of Credit Facility	(263,275)	(28,500)
Payment of debt issuance costs	(17)	—
Dividends paid to common stockholders, and OP Unit and LTIP Unit holders	(21,801)	(30,503)
Dividends paid to preferred stockholders	(5,233)	(2,911)
Net cash provided by financing activities	46,836	32,322
Net increase in cash and cash equivalents and restricted cash	1,031	284
Cash and cash equivalents and restricted cash—beginning of period	11,890	8,942
Cash and cash equivalents and restricted cash—end of period	$ 12,921	$ 9,226
Supplemental cash flow information:		
Cash payments for interest	$ 13,519	$ 14,326
Noncash financing and investing activities:		
Accrued dividends payable	$ 8,906	$ 11,985
Interest rate swap agreements fair value change recognized in other comprehensive income (loss)	$ 4,796	$ (8,217)
LTIP Units and OP Units redeemed for common stock	$ —	$ 67
Accrued capital expenditures and leasing commissions included in accounts payable and accrued expenses	$ 1,722	$ 2,284
Recognition of lease liability related to right of use asset	$ 163	$ 6,280

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CHIRON REAL ESTATE INC.
Notes to the Unaudited Condensed Consolidated Financial Statements
(dollars in thousands, except per share amounts or as otherwise indicated)

Note 1 – Organization

Chiron Real Estate Inc. (the "Company") is a Maryland corporation and internally managed real estate investment trust ("REIT") that owns (i) healthcare facilities leased to physician groups and regional and national healthcare systems and (ii) seniors housing communities. The Company's seniors housing includes independent living communities ("IL"), assisted living communities ("AL"), memory care communities ("MC") and active adult communities. As of June 30, 2026, the Company's total gross investment portfolio consisted of 82% healthcare facilities, primarily outpatient medical facilities, 16% seniors housing operating portfolio ("SHOP") assets, and 2% unconsolidated joint ventures and other investments.

The Company holds its facilities and conducts its operations through a Delaware limited partnership subsidiary, Chiron Real Estate LP (the "Operating Partnership"). The Company serves as the sole general partner of the Operating Partnership through a wholly owned subsidiary of the Company, Chiron Real Estate GP LLC, a Delaware limited liability company. As of June 30, 2026, the Company owned 91.3% of the outstanding common operating partnership units ("OP Units"), with the remaining 8.7% owned by holders of long-term incentive plan units ("LTIP Units") and third-party limited partners who contributed properties or services in exchange for OP Units.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and with the instructions to Form 10-Q and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures required for annual consolidated financial statements have been condensed or excluded pursuant to such rules and regulations. Accordingly, these condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2025. In the opinion of management, all adjustments, consisting of normal and recurring adjustments, considered necessary for a fair presentation of the interim financial statements presented have been included.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company, including the Operating Partnership, its wholly owned subsidiaries, and its equity investments in unconsolidated joint ventures. All significant intercompany accounts and transactions have been eliminated in consolidation. The Company presents the portion of any equity investment it does not own but controls (and thus consolidates) as noncontrolling interest. Noncontrolling interest in the Company includes the LTIP Units that have been granted to directors, officers and affiliates of the Company and the OP Units held by third parties. Refer to Note 5 – "Equity" and Note 7 – "Stock-Based Compensation" for additional information regarding the OP Units and LTIP Units.

The Company classifies noncontrolling interest as a component of consolidated equity on its Condensed Consolidated Balance Sheets, separate from the Company's total equity. The Company's net income or loss is allocated to noncontrolling interests based on the respective ownership or voting percentage in the Operating Partnership associated with such noncontrolling interests and is removed from consolidated income or loss on the Condensed Consolidated Statements of Operations in order to derive net income or loss attributable to common stockholders. The noncontrolling ownership percentage is calculated by dividing the aggregate number of LTIP Units and OP Units by the total number of units and shares outstanding.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and footnotes. Actual results could differ from those estimates. The Company's most significant assumptions and estimates are related to the valuation of real estate, purchase price allocation of acquired assets, revenue recognition including the collectability of tenant receivables and asset impairment.

Table of Contents

Cash and Cash Equivalents and Restricted Cash

The Company considers all demand deposits, cashier's checks, money market accounts, and certificates of deposit with a maturity of three months or less to be cash equivalents. Amounts included in restricted cash represent certain security deposits received from tenants at the inception of their leases and funds held by the Company related to certain tenant reimbursements. The following table provides a reconciliation of the Company's cash and cash equivalents and restricted cash:

	As of June 30,	
	2026	2025
Cash and cash equivalents	$ 10,658	$ 6,580
Restricted cash	2,263	2,646
Total cash and cash equivalents and restricted cash	$ 12,921	$ 9,226

Tenant and Resident Receivables, Net

Tenant receivables consist primarily of amounts due from tenants for contractual rent and tenant reimbursements for real estate taxes, insurance, and certain other operating expenses, and are accounted for in accordance with Accounting Standards Codification ("ASC") Topic 842 "Leases" ("ASC Topic 842"). Resident receivables consist primarily of amounts due from residents of the Company's seniors housing operating communities for monthly service fees, community fees, and ancillary services, and are accounted for in accordance with ASC Topic 842. The Company evaluates the collectability of tenant receivables at each reporting date by monitoring the creditworthiness and liquidity of its tenants and assessing historical collection experience and current economic conditions. If the collection of substantially all lease payments is no longer considered probable, the Company ceases recognizing revenue on a straight-line basis and recognizes revenue only as cash is received.

Resident receivables are recorded net of an allowance for expected credit losses estimated in accordance with ASC Topic 326 "Financial Instruments — Credit Losses" ("ASC Topic 326") using a current expected credit loss methodology that reflects historical loss experience, aging by payor category, current portfolio conditions, and reasonable and supportable forecasts of future economic conditions.

As of June 30, 2026 and December 31, 2025, the aggregate reserve recorded against tenant and resident receivables was $350 and $350, respectively.

Real Estate Loans Receivable, Net

Real estate loans receivable consists of one mezzanine loan as of June 30, 2026. The Company did not have any real estate loans as of December 31, 2025. Generally, each mezzanine loan is collateralized by an ownership interest in the respective borrower. Interest income on loans is recognized as earned based on the terms of the loans subject to evaluation of collectability risks and is included in the Company's consolidated statements of income. On a quarterly basis, the Company evaluates the collectability of its loan portfolio, including related interest income receivable, and establishes a reserve for loan losses. The reserve for loan losses was insignificant as of June 30, 2026.

Deferred Assets

The deferred assets balance as of June 30, 2026 and December 31, 2025 was $22,041 and $28,907, respectively. The balance for both periods consisted primarily of deferred rent receivables resulting from the recognition of rental revenue on a straight-line basis over the terms of tenant leases with contractual lease payments in accordance with ASC 842 Leases ("ASC 842").

Derivative Assets - Interest Rate Swaps

The derivative assets balance as of June 30, 2026 and December 31, 2025, was $10,898 and $6,102, respectively. In accordance with the Company's risk management strategy, the purpose of the interest rate swaps is to manage interest rate risk for certain of the Company's variable-rate debt. The interest rate swaps involve the Company's receipt of variable-rate amounts from the counterparties in exchange for the Company making fixed-rate payments over the life of the agreements. The Company accounts for derivative instruments in accordance with the provisions of ASC Topic 815, "Derivatives and Hedging." Refer to Note 4 – "Credit Facility, Notes Payable and Derivative Instruments" for additional details.

Goodwill

The Company's goodwill balance was $5,903 as of June 30, 2026 and December 31, 2025. Goodwill represents the excess of consideration paid over the fair value of underlying identifiable net assets of businesses acquired. Goodwill has an indefinite life and is not amortized. The Company tests goodwill for impairment at the reporting unit level on an annual basis, or more frequently if events or changes in circumstances indicate potential impairment. The Company has two reporting units.

Unconsolidated Joint Ventures

Heitman OM Joint Venture

In December 2024, the Company sold certain assets to a newly formed joint venture (the "Heitman OM Joint Venture") between the Company, through its Operating Partnership, and Heitman Global Real Estate REIT LLC ("Heitman") and their subsidiaries. The Company holds a 12.5% ownership interest in and serves as managing member of the Heitman OM Joint Venture, and Heitman holds the remaining 87.5% ownership interest. Heitman, through its voting interest, controls the Heitman OM Joint Venture. During the three months ended June 30, 2026, the Heitman OM Joint Venture acquired an additional medical office building located near Minneapolis, Minnesota, for a purchase price of $10.3 million, with the Company contributing its 12.5% proportionate share of the purchase price in accordance with the joint venture agreement. As of June 30, 2026, the Heitman OM Joint Venture has obtained two mortgage loans with an aggregate principal balance of $22.9 million.

Maple Grove Active Adult Joint Venture

On January 6, 2026, the Company entered into a joint venture with a developer to facilitate the development of an active adult residential community near Minneapolis, Minnesota (the "Maple Grove Active Adult Joint Venture"). The Company invested $7.1 million for a 49% equity interest, with the developer retaining a 51% interest and serving as the managing member. The Maple Grove Active Adult Joint Venture obtained a construction loan with a principal balance of $31.0 million, of which $10.1 million was drawn on as of June 30, 2026.

Hudson Active Adult Joint Venture

On May 13, 2026, the Company entered into a joint venture with a developer to facilitate the development of an active adult residential community near Hudson, Wisconsin (the "Hudson Active Adult Joint Venture"). The Company invested $6.7 million for a 49% equity interest, with the developer retaining a 51% interest and serving as the managing member.

IRF Joint Venture

On June 29, 2026, the Company completed the sale of seven inpatient rehabilitation facilities ("IRFs") to a newly formed joint venture (the "IRF Joint Venture") between the Company, through its Operating Partnership, and a U.S. public pension fund (the "IRF JV Partner"). The portfolio was valued at an aggregate purchase price of $217 million. In connection with the transaction, the Company received net proceeds of $211.4 million, before funding its $16.3 million retained equity investment in the IRF Joint Venture, and recognized a gain on the sale of investment properties of $71.9 million. The IRF JV Partner acquired an 85% equity interest and controls the IRF Joint Venture through its voting interest, while the Company acquired a 15% equity interest, serves as manager of the joint venture, and continues to oversee asset management in exchange for a management fee. The IRF Joint Venture obtained a mortgage loan with a principal balance of $108.5 million.

The Company accounts for its joint venture investments using the equity method. Under this method, the investment is initially recorded at cost and subsequently adjusted for the Company's share of net income or loss, as well as any cash contributions or distributions. The net equity investment is included in the "Investment in unconsolidated joint ventures" line on the Condensed Consolidated Balance Sheets, and the Company's share of net income or loss is included in "Equity income (loss) from unconsolidated joint ventures" on the Condensed Consolidated Statements of Operations. Distributions are classified as operating cash inflows to the extent of cumulative equity in earnings recognized, with any excess classified as investing cash inflows.

Other Assets

Other assets consisted of the following as of June 30, 2026 and December 31, 2025. Refer to Note 8 – “Leases” for additional details on right of use assets.

	As of June 30, 2026	As of December 31, 2025
Right of use assets	$ 13,021	$ 13,102
Capitalized leasing commissions, net	6,588	7,784
Capitalized construction in process costs	2,885	2,551
Prepaid assets	1,870	1,539
Capitalized software costs and miscellaneous assets, net	491	308
Total Other assets	$ 24,855	$ 25,284

Other Liabilities

The other liabilities balance as of June 30, 2026 and December 31, 2025 was $17,617 and $19,410, respectively. The balance as of June 30, 2026 consisted of $13,393 for right of use liabilities and $4,224 of prepaid rent. The balance as of December 31, 2025 consisted of $13,438 for right of use liabilities and $5,972 of prepaid rent. Refer to Note 8 – “Leases” for additional details on right of use liabilities.

Segment Reporting

In December 2024, the Company adopted ASU No. 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures,” for its fiscal year 2024 annual financial statements and interim financial statements thereafter. The adoption of ASU 2023-07 did not have an impact on the Company’s financial condition, results of operations, or disclosures.

During 2026, the Company expanded its investment strategy to include seniors housing communities operated through structures permitted under the REIT Investment Diversification and Empowerment Act of 2007 (commonly referred to as “RIDEA”) as permitted by the Housing and Economic Recovery Act of 2008. Through these arrangements, the Company participates in the operating results of qualified healthcare properties through taxable REIT subsidiaries (each, a “TRS”) rather than solely earning contractual rental income.

Accordingly, effective in the second quarter of 2026, the Company conducts and manages its business through two reportable operating segments: (i) healthcare real estate, which consists primarily of healthcare facilities leased to physician groups and regional and national healthcare systems (“Healthcare Real Estate”), and (ii) SHOP, which includes seniors housing communities operated through RIDEA structures.

The Company's Chief Executive Officer serves as the chief operating decision maker ("CODM"). The CODM evaluates operating performance and allocates resources primarily based on net operating income or loss by reportable segment, together with consolidated financial information, including net income or loss, liquidity, leverage, and capital availability. The CODM uses this information to assess performance and make decisions regarding the allocation of capital and other resources. There are no significant segment operating expenses that require disclosure other than the expense categories on the Company’s Consolidated Statements of Operations. *See Note 10 – Segment Information* for additional details.

Revenue Recognition

The Company generates revenue primarily from rental income from its outpatient medical and other properties and resident fee income from its SHOP communities. Rental income from outpatient medical and other properties is recognized in accordance with ASC 842, while resident fee income from SHOP communities is recognized as housing, care and other resident services are provided.

Outpatient Medical and Other Rental Revenue

The Company’s outpatient medical and other rental revenue operations primarily consist of rental revenue earned from tenants under leasing arrangements that provide for minimum rent and, in certain cases, rent escalations. These leases have been accounted for as operating leases. For operating leases with contingent rental escalators, revenue is recorded based on the contractual cash rental payments due during the period. Revenue from leases with fixed annual rental escalators is recognized on a straight-line basis over the initial lease term when substantially all lease income, including the related straight-line rent receivable, is probable of collection. Recognizing rental income on a straight-line basis generally results in recognized revenues during the first half of a lease term exceeding the cash amounts contractually due from tenants, creating a straight-line rent receivable that is included in deferred assets on the Company's Condensed Consolidated Balance Sheets. At June 30, 2026 and 2025, this cumulative excess totaled $19.9 million and $27.6 million, respectively.

The Company exercises considerable judgment in the rental property revenue recognition process, including the treatment of the contractual rental stream and the determination of collectability. The Company monitors the liquidity and creditworthiness of its tenants and operators and considers available operational performance measures, including sales and the aging of billed amounts, as well as other publicly available information regarding tenant financial condition, liquidity and capital resources, including declines in such conditions. If the Company determines that lease-related receivables are not probable of collection, rental revenue is recorded on a cash basis, which generally limits rental revenue to amounts received from the tenant. The corresponding tenant receivable and straight-line rent receivable are charged as a direct write-off against rental revenue in the period of the change in the collectability determination.

The Company is also entitled to receive reimbursements from tenants for various property operating costs paid by the Company on their behalf. The Company has elected the practical expedient for lessors to account for the lease and non-lease components as a single component pursuant to ASC 842 when the lease component is predominant, the timing and pattern of transfer are the same and the lease component, if accounted for separately, would be classified as an operating lease. Accordingly, reimbursements from tenants are recognized as variable lease payments when earned and the corresponding property-level operating costs are expensed as incurred.

SHOP

SHOP resident agreements are accounted for as operating leases under ASC 842 and generally include both housing and service components. The Company has elected the practical expedient to account for the lease and non-lease components as a single lease component when the criteria under ASC 842 are met. Accordingly, revenue from resident fees, including room, care, ancillary and other service charges, is recognized monthly as housing, care and other services are provided, generally beginning when the resident occupies a home or begins receiving services. Resident agreements are generally short-term in nature and may allow for termination with 30 days' notice. Move-in fees and certain rent incentives are recognized on a straight-line basis over the average resident stay.

For communities operated through a RIDEA structure, the applicable TRS contracts with the third-party manager and recognizes resident fee income and related operating expenses. The REIT generally leases the underlying real estate to the TRS pursuant to an intercompany lease arrangement; however, the related intercompany lease revenue and expense are eliminated in consolidation. Accordingly, consolidated revenues within the SHOP reportable segment reflect resident fee income and related service revenues generated by the communities, rather than rent from third-party operators.

Rental revenue from tenants and resident fee income from residents are recognized only to the extent collection is probable. This assessment is based on several qualitative and quantitative factors, including, as applicable, payment history, ability to satisfy contractual obligations, the value of any underlying collateral or deposit and current economic conditions. If collection is subsequently assessed as not probable, revenue recognized is limited to amounts collected, and any revenue previously recognized in excess of amounts received is reversed. If collection is later reassessed as probable, revenue is adjusted to reflect the amount that would have been recognized had collection always been assessed as probable.

New Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), to address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. ASU 2024-03 requires public companies to provide disaggregated disclosure in tabular format in the notes to financial statements of specific expenses, including but not limited to: (i) employee compensation, (ii) depreciation, and (iii) intangible asset amortization. In January 2025, the FASB issued ASU No. 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarifies that the amendments in ASU 2024-03 are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The Company is evaluating the impact ASU 2024-03 will have on its disclosures.

In December 2025, the FASB issued ASU No. 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements ("ASU 2025-11"), to improve the guidance in ASC Topic 270, Interim Reporting, including by clarifying when Topic 270 is applicable, improving the navigability of interim disclosure requirements, and establishing a principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. For public business entities, ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027 (and for entities other than public business entities, beginning after December 15, 2028). Early adoption is permitted, and the amendments may be applied retrospectively or prospectively. The Company is evaluating the impact ASU 2025-11 will have on its disclosures.

Note 3 – Property Portfolio

Summary of Properties Acquired and Sold During the Six Months Ended June 30, 2026

During the six months ended June 30, 2026, the Company completed two acquisitions of seniors housing communities and one portfolio disposition comprised of seven IRFs which were sold into the IRF Joint Venture.

On June 1, 2026, the Company completed the acquisition of The Landing Alexandria (the "Landing"), a 163-home, luxury seniors housing community located in Alexandria, Virginia, from affiliates of Silverstone Senior Living ("SSL") for a purchase price of approximately $130 million. The Landing offers independent living, assisted living and memory care. For this acquisition, substantially all of the fair value was concentrated in a single identifiable asset or group of similar identifiable assets and, therefore, this acquisition represented an asset acquisition. Accordingly, $1.0 million of transaction costs for this acquisition were capitalized.

On June 1, 2026, the Company completed the acquisition of The Riviera at Alexandria (the "Riviera"), a 129-home, luxury seniors housing community located in Alexandria, Virginia, from affiliates of SSL for a purchase price of approximately $119 million. The Riviera offers independent living. For this acquisition, substantially all of the fair value was concentrated in a single identifiable asset or group of similar identifiable assets and, therefore, this acquisition represented an asset acquisition. Accordingly, $0.9 million of transaction costs for this acquisition were capitalized.

The Company operates the Landing and the Riviera as SHOP communities and one of its TRSs has engaged an affiliate of Greystone Communities to manage the day-to-day operations of the communities. Under this structure, the Company owns the real estate and participates directly in the operating results of the communities, including revenues and operating expenses, rather than receiving fixed lease payments from a third-party tenant.

On June 29, 2026, the Company sold seven IRFs to the IRF Joint Venture in connection with the formation of the joint venture for an aggregate purchase price of $217 million, received net proceeds of $211.4 million before funding its $16.3 million retained equity investment in the joint venture, and recognized a gain on the sale of investment properties of $71.9 million.

A rollforward of the gross investment in land, building, improvements, and acquired lease intangible assets as of June 30, 2026 is as follows:

	Land	Building	Furniture, Fixtures, and Equipment	Site Improvements	Tenant Improvements	Acquired Lease Intangible Assets	Gross Investment in Real Estate
Balances as of December 31, 2025	$ 169,917	$ 1,072,124	$ —	$ 25,741	$ 80,397	$ 144,573	$ 1,492,752
Facility Acquired – Date Acquired:							
Landing Alexandria – 6/1/26	15,946	100,786	2,770	310	—	11,231	131,043
Riviera Alexandria – 6/1/26	11,171	104,924	3,166	338	—	287	119,886
Capitalized costs (1)	—	3,412	—	256	1,877	—	5,545
Total Additions:	27,117	209,122	5,936	904	1,877	11,518	256,474
Facility Sold – Date Sold:							
Mesa – 6/29/26 (2)	(3,018)	(15,790)	—	(602)	(475)	(2,465)	(22,350)
Surprise – 6/29/26 (2)	(1,738)	(18,737)	—	(263)	(4,119)	(3,861)	(28,718)
Las Vegas – 6/29/26 (2)	(2,479)	(15,277)	—	(244)	(2,205)	(2,297)	(22,502)
Oklahoma City – 6/29/26 (2)	(2,486)	(26,315)	—	(143)	(3,044)	(3,155)	(35,143)
Altoona – 6/29/26 (2)	(783)	(18,362)	—	(400)	(143)	(1,856)	(21,544)
Mechanicsburg – 6/29/26 (2)	(484)	(21,290)	—	(326)	(161)	(1,996)	(24,257)
Sherman – 6/29/26 (2)	(1,601)	(25,011)	—	—	(2,447)	—	(29,059)
Total Dispositions:	(12,589)	(140,782)	—	(1,978)	(12,594)	(15,630)	(183,573)
Impairment of investment properties							—
Balances as of June 30, 2026	$ 184,445	$ 1,140,464	$ 5,936	$ 24,667	$ 69,680	$ 140,461	$ 1,565,653

(1) Represents capital projects that were completed and placed in service during the six months ended June 30, 2026 related to the Company's existing facilities.

(2) These facilities were sold to the IRF Joint Venture in connection with its formation.

Depreciation expense was $11,443 and $22,530 for the three and six months ended June 30, 2026, respectively, and $11,307 and $21,614 for the three and six months ended June 30, 2025, respectively.

As of June 30, 2026, the Company had aggregate capital improvement commitments and obligations to improve, expand, and maintain the Company's existing facilities of approximately $24,500. Many of these amounts are subject to contingencies that make it difficult to predict when they will be utilized, if at all. In accordance with the terms of the Company's leases, capital improvement obligations in the next twelve months are expected to total approximately $15,300.

On April 1, 2026, the Company originated a $3.0 million mezzanine loan secured by equity interests in an entity that owns an under-development medical facility located in Fort Myers, Florida, of which $2.9 million was drawn as of June 30, 2026. The medical facility is an on-campus outpatient surgical facility that is 100% pre-leased to an investment-grade tenant under a 15-year lease with no termination rights. The loan bears interest at a rate of 12.0% per annum, has an initial term of 24 months, and represents approximately 10% of the total project cost. In connection with the loan, the Company holds a right of first offer and right of first refusal with respect to a sale of the property, which are subject to the pre-leased tenant's corresponding rights.

Summary of Properties Acquired and Sold During the Year Ended December 31, 2025

During the year ended December 31, 2025, the Company completed the acquisition of a five-property portfolio of medical real estate. For this acquisition, substantially all of the fair value was concentrated in a single identifiable asset or group of similar identifiable assets and, therefore, this acquisition represented an asset acquisition. Accordingly, $1.0 million of transaction costs for this acquisition were capitalized.

During the year ended December 31, 2025, the Company completed seven dispositions for approximately $23.0 million, realizing an aggregate net gain of approximately $1.5 million. In addition, we recognized impairment losses on the sold assets of $13.0 million.

A rollforward of the gross investment in land, building, improvements, and acquired lease intangible assets as of December 31, 2025 is as follows:

	Land	Building	Furniture, Fixtures, and Equipment	Site Improvements	Tenant Improvements	Acquired Lease Intangible Assets	Gross Investment in Real Estate
Balances as of December 31, 2024	$ 174,300	$ 1,044,019	$ —	$ 23,973	$ 69,679	$ 138,945	$ 1,450,916
Facility Acquired – Date Acquired:							
Carondelet - 2/7/25	—	13,327	—	—	1,274	1,725	16,326
Silverbell - 2/7/25	—	8,482	—	—	973	1,368	10,823
Slippery Rock - 2/7/25	—	3,511	—	455	593	572	5,131
Clive - 4/1/25	—	11,400	—	507	1,595	2,218	15,720
Des Moines - 4/1/25	—	18,917	—	182	3,289	3,519	25,907
Capitalized costs[1]	—	5,927	—	1,226	5,008	—	12,161
Total Additions:	—	61,564	—	2,370	12,732	9,402	86,068
Facility Sold – Date Sold:							
Derby - 2/18/25	(146)	(1,250)	—	(118)	(73)	(372)	(1,959)
Coos Bay - 3/19/25	(861)	(5,096)	—	(56)	(49)	(410)	(6,472)
Chipley - 4/30/25	(170)	(875)	—	(34)	(111)	(189)	(1,379)
2999 Germantown - 8/7/25	(253)	(1,593)	—	—	—	—	(1,846)
Aurora - 9/4/25	(339)	(2,345)	—	(308)	(603)	(2,680)	(6,275)
Memphis Exeter - 11/4/25	(232)	(1,912)	—	—	—	—	(2,144)
Melbourne - 12/30/25	(1,200)	(8,556)	—	(86)	(1,178)	(123)	(11,143)
Total Dispositions:	(3,201)	(21,627)	—	(602)	(2,014)	(3,774)	(31,218)
Impairment of investment properties[2]	(1,182)	(11,832)	—	—	—	—	(13,014)
Balances as of December 31, 2025	$ 169,917	$ 1,072,124	$ —	$ 25,741	$ 80,397	$ 144,573	$ 1,492,752

(1) Represents capital projects that were completed and placed in service during the year ended December 31, 2025 related to the Company's existing facilities.

(2) In August 2025, the Company entered into an agreement to sell its facility located in Aurora, Illinois, and recognized an impairment loss of $6.3 million to reduce the carrying value of the asset to its estimated fair value. The fair value was determined based on the contractual sales price, less commissions and fees, and the sale was completed in September 2025. In December 2025, the Company entered into an agreement to sell its facility located in Melbourne, Florida, and recognized an impairment loss of $6.7 million to reduce the carrying value of the asset to its estimated fair value. The fair value was determined based on the contractual sales price, less commissions and fees, and the sale was completed in December 2025.

Lease Intangible Assets and Liabilities

The following is a summary of the carrying amount of lease intangible assets and liabilities as of the dates presented:

	As of June 30, 2026		
	Cost	Accumulated Amortization	Net
Assets			
In-place leases	$ 83,441	$ (53,380)	$ 30,061
Above market leases	22,644	(15,721)	6,923
Leasing costs	34,376	(24,153)	10,223
	$ 140,461	$ (93,254)	$ 47,207
Liability			
Below market leases	$ 16,413	$ (12,597)	$ 3,816

	As of December 31, 2025		
	Cost	Accumulated Amortization	Net
Assets			
In-place leases	$ 82,590	$ (58,294)	$ 24,296
Above market leases	24,024	(15,258)	8,766
Leasing costs	37,959	(25,017)	12,942
	$ 144,573	$ (98,569)	$ 46,004
Liability			
Below market leases	$ 17,335	$ (12,391)	$ 4,944

The following is a summary of the acquired lease intangible amortization:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Amortization expense related to in-place leases	$ 2,432	$ 2,594	$ 4,754	$ 4,809
Amortization expense related to leasing costs	$ 1,077	$ 1,165	$ 2,167	$ 2,237
Decrease in rental revenue related to above market leases	$ 709	$ 735	$ 1,424	$ 1,490
Increase in rental revenue related to below market leases	$ (559)	$ (795)	$ (1,128)	$ (1,098)

As of June 30, 2026, scheduled future aggregate net amortization of the acquired lease intangible assets and liabilities for each year ended December 31 is listed below:

	Net Decrease in Revenue	Net Increase in Expense
2026 (six months remaining)	$ (119)	$ 6,388
2027	(357)	10,574
2028	(699)	8,119
2029	(751)	5,618
2030	(569)	3,203
Thereafter	(612)	6,382
Total	$ (3,107)	$ 40,284

As of June 30, 2026, the weighted average amortization periods for asset lease intangibles and liability lease intangibles were 2.8 years and 1.8 years, respectively.

Note 4 – Credit Facility, Notes Payable and Derivative Instruments

Credit Facility

On October 8, 2025, the Operating Partnership, as borrower, and certain of its subsidiaries entered into an amended and restated $900 million unsecured syndicated credit facility with JPMorgan Chase Bank, N.A. as administrative agent (the “Credit Facility”). The Credit Facility consists of (i) $500 million of term loans, which include (a) a $350 million loan that is comprised of three term loans as follows: a $100 million term loan maturing in October 2029 (“Term Loan A-1”); a $100 million term loan maturing in October 2030 (“Term Loan A-2”); and a $150 million term loan maturing in April 2031 (“Term Loan A-3,” and together with Term Loan A-1 and Term Loan A-2, the “Term Loan A Tranches”); and (b) a $150 million term loan maturing in February 2028 (“Term Loan B”), and (ii) a $400 million revolver maturing in October 2029 with two, six-month extension options available at the Company’s election (the “Revolver”). The Credit Facility also includes a $500 million accordion feature. Interest rates on amounts outstanding under the Credit Facility equal the term SOFR plus a borrowing spread based on the current pricing grid in the Credit Facility.

The Operating Partnership is subject to a number of financial covenants under the Credit Facility, including, among other things, the following as of the end of each fiscal quarter, (i) a maximum consolidated unsecured leverage ratio of less than 60%, (ii) a maximum consolidated secured leverage ratio of less than 30%, (iii) a maximum consolidated secured recourse leverage ratio of less than 10%, (iv) a minimum fixed charge coverage ratio of 1.50:1.00, (v) a minimum unsecured interest coverage ratio of 1.50:1.00, (vi) a maximum consolidated leverage ratio of less than 60%, and (vii) a minimum net worth of $595.6 million plus 75% of all net proceeds raised through equity offerings subsequent to June 30, 2025. As of June 30, 2026, management believed it complied with all of the financial and non-financial covenants contained in the Credit Facility.

The Company has entered into interest rate swaps to hedge its interest rate risk on the Term Loan A Tranches and Term Loan B through their respective maturities. For additional information related to the interest rate swaps, see the “Derivative Instruments - Interest Rate Swaps” section herein.

During the six months ended June 30, 2026, the Company borrowed $241,100 under the Credit Facility and repaid $263,275, for a net amount repaid of $22,175. During the six months ended June 30, 2025, the Company borrowed $94,500 under the Credit Facility and repaid $28,500, for a net amount borrowed of $66,000. Interest expense incurred on the Credit Facility was $8,013, and $14,355 for the three and six months ended June 30, 2026, respectively, and $7,236, and $13,698 for the three and six months ended June 30, 2025, respectively.

As of June 30, 2026 and December 31, 2025, the Company had the following outstanding borrowings under the Credit Facility:

	June 30, 2026	December 31, 2025
Revolver	$ 141,000	$ 163,175
Term Loan A Tranches	350,000	350,000
Term Loan B	150,000	150,000
Credit Facility, gross	641,000	663,175
Less: Unamortized debt issuance costs	(8,979)	(10,476)
Credit Facility, net	$ 632,021	$ 652,699

Costs incurred related to the Credit Facility, net of accumulated amortization, are netted against the Company’s “Credit Facility, net of unamortized debt issuance costs” balance in the accompanying Condensed Consolidated Balance Sheets. Amortization expense incurred related to debt issuance costs was $707 and $1,514 for the three and six months ended June 30, 2026, respectively, and $550 and $1,100 for the three and six months ended June 30, 2025, respectively, and is included in the “Interest Expense” line item in the accompanying Condensed Consolidated Statements of Operations.

Notes Payable, Net of Debt Issuance Costs

The Company, through certain of its wholly owned subsidiaries, may enter into or assume loans in connection with acquisitions. As of June 30, 2026 and December 31, 2025, the Company had the following outstanding borrowing in connection with the Toledo facility:

	June 30, 2026	December 31, 2025
Toledo loan [(1)]	$ 1,096	$ 1,153
Unamortized debt issuance costs	—	—
Notes payable, net	$ 1,096	$ 1,153

(1) The Toledo loan has an annual interest rate of 5.0% and matures on July 30, 2033.

Amortization expense incurred related to debt issuance costs for notes payable was $0 for the three and six months ended June 30, 2026, and $9 and $18 for the three and six months ended June 30, 2025, respectively, and is included in the "Interest Expense" line item in the accompanying Condensed Consolidated Statements of Operations.

The Company made principal payments of $57 and $264 during the six months ended June 30, 2026 and 2025, respectively. Interest expense incurred on notes payable was $18 and $36 for the three and six months ended June 30, 2026, respectively, and $145 and $291 for the three and six months ended June 30, 2025, respectively.

As of June 30, 2026, scheduled principal payments due for each year ended December 31 were as follows:

2026 (six months remaining)	$ 59
2027	124
2028	131
2029	139
2030	146
Thereafter	497
Total	$ 1,096

Senior Note Facility

On March 2, 2026, the Company entered into a Master Note and Guaranty Agreement (the "Senior Note Agreement") with NYL Investors LLC and certain of its affiliates (collectively, the "Purchasers"). The Senior Note Agreement establishes an uncommitted senior unsecured note facility pursuant to which the Company may issue senior unsecured promissory notes ("Notes") from time to time in one or more series to the Purchasers in an aggregate principal amount of up to $150 million. The Senior Note Agreement does not obligate the Purchasers to purchase any Notes, and each issuance is subject to the Purchasers' discretion and satisfaction of customary conditions. Notes may be issued under the Senior Note Agreement during a period ending on the earliest of (i) the third anniversary of the effective date of the Senior Note Agreement, (ii) termination of the facility by either party upon written notice, (iii) termination following certain events of default, or (iv) acceleration of the Notes and termination of the facility. Notes issued under the Senior Note Agreement may have maturities of up to ten years and will bear interest at rates determined at the time of issuance based on spreads over U.S. Treasury securities. As of June 30, 2026, no Notes had been issued or were outstanding under the Senior Note Agreement.

Derivative Instruments - Interest Rate Swaps

As of June 30, 2026, the Company had 11 interest rate swaps outstanding that are used to manage its interest rate risk by fixing the SOFR component of its term loans through their maturities, consisting of four interest rate swaps related to Term Loan B and seven interest rate swaps related to the Term Loan A Tranches. The four interest rate swaps related to Term Loan B have a combined notional value of $150 million and fix the SOFR component on Term Loan B through January 2028 at 2.54%. The seven interest rate swaps related to the Term Loan A Tranches have a combined notional value of $350 million and fix the SOFR components on the Term Loan A Tranches at rates between 3.24% to 3.32% and have maturities in October 2029, October 2030, and April 2031.

The Company records the swaps either as an asset or a liability measured at its fair value at each reporting period. When hedge accounting is applied, the change in the fair value of derivatives designated and that qualify as cash flow hedges is (i) recorded in accumulated other comprehensive income in the equity section of the Company's Condensed Consolidated Balance Sheets and

(ii) subsequently reclassified into earnings as interest expense for the period that the hedged forecasted transactions affect earnings. If specific hedge accounting criteria are not met, changes in the Company's derivative instruments' fair value are recognized currently as an adjustment to net income. As of June 30, 2026 and December 31, 2025, all of the Company's swaps met the criteria for hedge accounting.

The Company's interest rate swaps are not traded on an exchange. The Company's interest rate swaps are recorded at fair value based on a variety of observable inputs including contractual terms, interest rate curves, yield curves, measure of volatility, and correlations of such inputs. The Company measures its derivatives at fair value on a recurring basis based on the expected size of future cash flows on a discounted basis and incorporates a measure of non-performance risk. The fair values are based on Level 2 inputs within the framework of ASC Topic 820. The Company considers its own credit risk, as well as the credit risk of its counterparties, when evaluating the fair value of its derivative instruments.

The fair value of the Company's interest rate swaps was an asset of $10,898 and $6,102 as of June 30, 2026 and December 31, 2025, respectively. The balances are included in the "Derivative Assets" line item on the Company's Condensed Consolidated Balance Sheets as of June 30, 2026 and December 31, 2025, respectively.

The table below details the components of the amounts presented on the accompanying Condensed Consolidated Statements of Comprehensive Income (Loss) recognized on the Company's interest rate swaps designated as cash flow hedges for the three and six months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Amount of (gain) loss recognized in other comprehensive income (loss)	$ (4,943)	$ 18	$ (8,519)	$ 1,653
Amount of gain reclassified from accumulated other comprehensive income into interest expense	1,263	3,299	3,723	6,564
Total change in accumulated other comprehensive (loss) income	$ (3,680)	$ 3,317	$ (4,796)	$ 8,217

During the next twelve months, the Company estimates that an additional $4,286 will be reclassified as a decrease to interest expense. Additionally, during the three and six months ended June 30, 2026, the Company recorded total interest expense in its Condensed Consolidated Statements of Operations of $8,806 and $16,039, respectively.

Weighted-Average Interest Rate and Term

The weighted average interest rate and term of the Company's debt was 4.56% and 3.6 years, respectively, at June 30, 2026, compared to 3.74% and 4.1 years as of December 31, 2025.

Note 5 – Equity

In September 2025, the Company completed a one-for-five reverse stock split of its outstanding shares of common stock, with a corresponding adjustment to the outstanding partnership units of the Operating Partnership (the "Reverse Stock Split"). Unless otherwise noted, all common share and unit amounts shown herein are shown on a split-adjusted basis.

Preferred Stock

The Company's charter authorizes the issuance of 10,000,000 shares of preferred stock, par value $0.001 per share. As of June 30, 2026 and December 31, 2025, there were 3,105,000 shares of Series A Cumulative Redeemable Preferred Stock ("Series A Preferred Stock") issued and outstanding, 2,050,000 shares of Series B Cumulative Redeemable Preferred Stock ("Series B Preferred Stock") issued and outstanding, and 1,000,000 shares and 0 shares, respectively, of Series C Convertible Cumulative Redeemable Preferred Stock ("Series C Convertible Preferred Stock") issued and outstanding. Each of the Series A Preferred Stock and Series B Preferred Stock has a liquidation preference of $25 per share, and the Series C Convertible Preferred Stock has a liquidation preference of $100 per share.

Series A Preferred Stock

Series A Preferred Stock dividend activity for the six months ended June 30, 2026 is summarized in the following table:

Date Announced	Record Date	Payment Date	Quarterly Dividend	Dividends per Share
December 4, 2025	January 15, 2026	February 2, 2026	$ 1,455	$ 0.46875
February 25, 2026	April 15, 2026	April 30, 2026	$ 1,455	$ 0.46875
May 20, 2026	July 15, 2026	July 31, 2026	$ 1,455 [(1)]	$ 0.46875

(1) Two months of this amount, equal to $970, was accrued at June 30, 2026.

The holders of the Series A Preferred Stock are entitled to receive dividend payments only when, as and if declared by the Board of Directors (the "Board") (or a duly authorized committee of the Board). The Series A Preferred Stock dividends will accrue or be payable in cash from the original issue date, on a cumulative basis, quarterly in arrears on each dividend payment date at a fixed rate per annum equal to 7.50% of the liquidation preference of $25.00 per share (equivalent to $1.875 per share on an annual basis). Dividends on the Series A Preferred Stock are cumulative and accrue whether or not (i) funds are legally available for the payment of those dividends, (ii) the Company has earnings or (iii) those dividends are declared by the Board. The Series A Preferred Stock may be partially or fully redeemed by the Company. The quarterly dividend payment dates on the Series A Preferred Stock are January 31, April 30, July 31 and October 31 of each year. During each of the six-month periods ended June 30, 2026 and 2025, the Company paid preferred dividends on its Series A Preferred Stock of $2,911.

Series B Preferred Stock

Series B Preferred Stock dividend activity for the six months ended June 30, 2026 is summarized in the following table:

Date Announced	Record Date	Payment Date	Quarterly Dividend	Dividends per Share
December 4, 2025	January 15, 2026	February 2, 2026	$ 795	$ 0.388
February 25, 2026	April 15, 2026	April 30, 2026	$ 1,025	$ 0.500
May 20, 2026	July 15, 2026	July 31, 2026	$ 1,025 [(1)]	$ 0.500

(1) Two months of this amount, equal to $680, was accrued at June 30, 2026.

The holders of the Series B Preferred Stock are entitled to receive dividend payments only when, as and if declared by the Board (or a duly authorized committee of the Board). The Series B Preferred Stock dividends will accrue or be payable in cash from the original issue date, on a cumulative basis, quarterly in arrears on each dividend payment date at a fixed rate per annum equal to 8.00% of the liquidation preference of $25.00 per share (equivalent to $2.00 per share on an annual basis). Dividends on the Series B Preferred Stock are cumulative and accrue whether or not (i) funds are legally available for the payment of those dividends, (ii) the Company has earnings or (iii) those dividends are declared by the Board. The Series B Preferred Stock may be partially or fully redeemed by the Company beginning in November 2030. The quarterly dividend payment dates on the Series B Preferred Stock are January 31, April 30, July 31 and October 31 of each year. During the six-month period ended June 30, 2026 the Company paid preferred dividends on its Series B Preferred Stock of $1,820. There were no Series B Preferred Stock shares issued and outstanding during the six-month period ended June 30, 2025.

Series C Convertible Preferred Stock

On May 29, 2026 and June 2, 2026, the Company issued an aggregate of 1,000,000 shares of its Series C Convertible Preferred Stock, for aggregate gross proceeds of $100.0 million. The Series C Convertible Preferred Stock provides for cumulative dividends at a rate of 6.00% per annum, which increases to 8.00% on June 2, 2030 (the date that is four years after the date of last issuance) to the extent the Series C Convertible Preferred Stock is not redeemed or converted and increases by an additional 2.00% on each subsequent anniversary thereafter, up to a maximum of 12.00%, to the extent the Series C Convertible Preferred Stock is not redeemed or converted as of such anniversary dates. The Series C Convertible Preferred Stock is convertible into shares of the Company's common stock at an initial conversion rate of 2.32558 shares of common stock per share of Series C Convertible Preferred Stock, which is based on an implied conversion price of $43.00 per share of common stock, subject to certain anti-dilution adjustments. The Company may redeem the Series C Convertible Preferred Stock, in whole or in part, at its option on or after June 2, 2030 (the date that is four years after the date of last issuance), at a cash redemption price equal to the liquidation preference of $100 per share, plus accumulated and unpaid regular dividends, including any defaulted regular dividends. The Series C Convertible Preferred Stock generally has no voting rights, except for limited voting rights with respect to certain matters affecting its rights and preferences. In addition, upon issuance of the Series C Convertible Preferred Stock, the Company's ability to make distributions with respect to, or redeem, purchase or acquire, or make liquidation payments on, any other shares of capital stock ranking junior to or on a parity with the Series C Convertible Preferred Stock became subject to certain restrictions in the event that the Company does not declare distributions on the Series C Convertible Preferred Stock during any distribution period.

The Company assessed the characteristics of the Series C Convertible Preferred Stock in accordance with the provisions of ASC Topic 480 – "Distinguishing Liabilities from Equity," and concluded that the Series C Convertible Preferred Stock is classified as permanent equity.

Series C Convertible Preferred Stock dividend activity for the six months ended June 30, 2026 is summarized in the following table:

Date Announced	Record Date	Payment Date	Quarterly Dividend (1)	Dividends per Share
N/A (2)	June 15, 2026	June 30, 2026	$ 502	$ 0.50

(1) Represents initial dividend from May 29, 2026 (with respect to 700,000 shares) and June 2, 2026 (with respect to 300,000 shares) through June 29, 2026.

(2) Because the Series C Convertible Preferred Stock is not publicly traded, no public announcement was made regarding this dividend.

Dividends on the Series C Convertible Preferred Stock are cumulative and accrue whether or not (i) funds are legally available for the payment of those dividends, (ii) the Company has earnings or (iii) those dividends are declared by the Board. The Series C Convertible Preferred Stock may not be redeemed by the Company prior to the applicable redemption trigger date and may thereafter be partially or fully redeemed by the Company for cash, subject to the terms of the Articles Supplementary related to the Series C Convertible Preferred Stock. The quarterly dividend payment dates on the Series C Convertible Preferred Stock are March 31, June 30, September 30 and December 31 of each year. During the six-month period ended June 30, 2026, the Company paid preferred dividends on its Series C Convertible Preferred Stock of $502. There were no Series C Convertible Preferred Stock shares issued and outstanding during the six-month period ended June 30, 2025.

Common Stock

The Company had 100,000,000 authorized shares of common stock, $0.001 par value and as of June 30, 2026 and December 31, 2025, there were 13,234,830 outstanding shares of common stock.

Common stock dividend activity for the six months ended June 30, 2026 is summarized in the following table:

Date Announced	Record Date	Payment Date	Dividend Amount[(1)(2)]	Dividends per Share[(3)]
December 4, 2025	December 19, 2025	January 9, 2026	$ 10,839	$ 0.75
February 25, 2026	March 20, 2026	April 17, 2026	$ 3,619	$ 0.25
February 25, 2026	April 20, 2026	May 15, 2026	$ 3,620	$ 0.25
February 25, 2026	May 20, 2026	June 12, 2026	$ 3,623	$ 0.25
May 5, 2026	June 22, 2026	July 17, 2026	$ 2,319	$ 0.16
May 5, 2026	July 20, 2026	August 14, 2026	$ 2,319	$ 0.16
May 5, 2026	August 20, 2026	September 18, 2026	$ 2,319	$ 0.16

(1) Includes distributions on outstanding LTIP Units and OP Units.

(2) Dividend amounts for the July and August dividend record dates are estimated based on the outstanding shares of common stock and units as of June 30, 2026.

(3) On February 24, 2026, the Company's Board of Directors approved a transition from a quarterly dividend to a monthly dividend. The dividend rate of $0.75 per share per quarter remained unchanged through the dividends paid on June 12, 2026. On May 5, 2026, the Company's Board of Directors approved a monthly dividend of $0.16 for the dividends payable on July 17, 2026, August 14, 2026 and September 18, 2026.

During the six months ended June 30, 2026 and 2025, the Company paid total dividends on its common stock, LTIP Units and OP Units in the aggregate amount of $21,801 and $30,503, respectively.

As of June 30, 2026 and December 31, 2025, the Company had accrued dividend balances of $300 and $216 for dividends payable on the aggregate annual and long-term LTIP Units that are subject to retroactive receipt of dividends on the amount of LTIP Units ultimately earned. During the six months ended June 30, 2026, $184 dividends were accrued and $100 of dividends were paid related to these units. During the six months ended June 30, 2025, $156 of accrued dividends were reversed and $105 of dividends were paid related to these units.

The amount of the dividends paid to the Company's stockholders is determined by the Board and is dependent on a number of factors, including funds available for payment of dividends, the Company's financial condition and capital expenditure requirements, except that, in accordance with the Company's organizational documents and Maryland law, the Company may not make dividend distributions that would: (i) cause it to be unable to pay its debts as they become due in the usual course of business; (ii) cause its total assets to be less than the sum of its total liabilities plus senior liquidation preferences; or (iii) jeopardize its ability to maintain its qualification as a REIT.

Capital Raising Activity

In January 2024, the Company and the Operating Partnership implemented a $300 million "at-the-market" equity offering program, pursuant to which the Company may offer and sell (including through forward sales), from time to time, shares of its common stock (the "2024 ATM Program"). No shares were sold under the 2024 ATM Program during the six months ended June 30, 2026. As of June 30, 2026, the Company has $288.0 million remaining available under the 2024 ATM Program.

In February 2026, the Company and the Operating Partnership implemented a $75 million "at-the-market" equity offering program, pursuant to which the Company may offer and sell (including through forward sales), from time-to-time, shares of its Series B Preferred Stock (the "2026 Series B Preferred ATM Program"). No shares were sold under the 2026 Series B Preferred ATM Program during the six months ended June 30, 2026.

On May 29, 2026 and June 2, 2026, the Company issued an aggregate of 1,000,000 shares of its Series C Convertible Preferred Stock in a private placement for aggregate gross proceeds of $100 million.

Common Stock Repurchase Program

In August 2025, the Board approved a $50 million common stock repurchase program (the "Stock Repurchase Program"). Under the Stock Repurchase Program, the Company may purchase up to $50 million of its outstanding shares of common stock from time to time in the open market, including through block purchases, through privately negotiated transactions or pursuant to any Rule 10b5-1 trading plan, in accordance with applicable securities laws. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions and other considerations. The Stock Repurchase Program does not obligate the Company to repurchase any dollar amount or number of shares of its common stock and may be suspended or discontinued at any time. No shares were repurchased during the six months ended June 30, 2026 and $44 million may yet be purchased under the Stock Repurchase Program. During the year ended December 31, 2025, 175,634 shares or approximately $6 million of the Company's common stock were repurchased under the Stock Repurchase Program.

OP Units

During the six months ended June 30, 2026, the Operating Partnership did not issue or redeem any OP Units. During the year ended December 31, 2025, the Operating Partnership did not issue any OP Units and redeemed 5,000 OP Units (adjusted to reflect the impact of the Reverse Stock Split).

The OP Unit value at issuance and redemption is based on the Company's closing share price on the date of the respective transaction and is included as a component of noncontrolling interest equity in the Company's Condensed Consolidated Balance Sheets as of June 30, 2026 and December 31, 2025. The Company has sufficient shares of common stock authorized pursuant to its charter to cover the redemption of outstanding OP Units.

Note 6 – Related Party Transactions

Related Party Balances

The amounts due from related parties as of June 30, 2026 and December 31, 2025 were $728 and $162, respectively. These balances primarily consist of receivables from the formation of our IRF Joint Venture, taxes paid on behalf of LTIP Unit and OP Unit holders that are reimbursable to the Company, as well as funds owed to the Company from the Heitman OM Joint Venture for management fees earned by the Company.

Note 7 – Stock-Based Compensation

2016 Equity Incentive Plan

The 2016 Equity Incentive Plan, as amended (the "Plan"), is intended to assist the Company and its affiliates in recruiting and retaining employees of the Company, members of the Board, executive officers of the Company, and individuals who provide services to the Company and its affiliates.

The Plan is intended to permit the grant of both qualified and non-qualified options and the grant of stock appreciation rights, restricted stock, unrestricted stock, awards of restricted stock units, performance awards and other equity-based awards (including LTIP Units). Based on the grants outstanding as of June 30, 2026, there were 455,627 shares of common stock that remain available to be granted under the Plan. Units subject to awards under the Plan that are forfeited, cancelled, lapsed, or otherwise expired (excluding shares withheld to satisfy exercise prices or tax withholding obligations) are available for grant.

Time-Based Grants

During the six months ended June 30, 2026, the Company granted the following LTIP Units:

Date	Description	Number of Units Issued	
February 24, 2026	Final awards under the 2025 Annual Incentive Plan	33,187	
February 24, 2026	Time-based awards under the 2026 Long-Term Incentive Plan	63,626	(1)
April 1, 2026	Discretionary grant	2,237	
May 20, 2026	Annual awards to independent directors	12,191	

(1) Time-based awards under the 2026 Long-Term Incentive Plan vest upon the third anniversary of the respective grant dates. Vesting may be accelerated under certain circumstances such as a "change-in-control" transaction or a "qualified termination" event.

A detail of the Company's outstanding time-based LTIP Units as of June 30, 2026 is as follows:

Vested units	605,336
Unvested units	207,494
LTIP Units outstanding as of June 30, 2026	812,830

Performance Based Awards

The Board has approved annual performance-based LTIP awards ("Annual Awards") and long-term performance-based LTIP awards ("Long-Term Awards" and together with the Annual Awards, "Performance Awards") to the executive officers and other employees of the Company. As described below, the Annual Awards have one-year performance periods and the Long-Term Awards have three-year performance periods. In addition to meeting specified performance metrics, vesting in the Performance Awards is subject to service requirements.

A detail of the Performance Awards under the 2024, 2025 and 2026 programs as of June 30, 2026 is as follows:

2024 Long-Term Awards	38,531
2025 Long-Term Awards	32,944
2026 Annual Awards (1)	43,530
2026 Long-Term Awards (2)	60,134
Total target Performance Awards as of June 30, 2026	175,139

(1) Approved by the Board on February 24, 2026. The number of target LTIP Units was based on the average closing price of the Company's common stock reported on the New York Stock Exchange over the 15 trading days preceding the award date.

(2) Approved by the Board on February 24, 2026. The number of target LTIP Units was based on the fair value of the Long-Term Awards as determined by an independent valuation consultant. See additional detail below.

Annual Awards. The Annual Awards are subject to the terms and conditions of LTIP Annual Award Agreements ("LTIP Annual Award Agreements") between the Company and each grantee.

The Compensation Committee of the Board (the "Compensation Committee") and the Board established performance goals for the year ending December 31, 2026, as set forth in the 2026 LTIP Annual Award Agreements (the "Performance Goals") that will be used to determine the number of LTIP Units earned by each grantee. Cumulative stock-based compensation expense during the three and six months ended June 30, 2026 reflects management's estimate of the probability of the number of these awards that will be earned. As soon as reasonably practicable following the end of the performance period, the Compensation Committee and the Board will determine the extent to which the Company has achieved each of the Performance Goals (expressed as a percentage) and, based on such determination, will calculate the number of LTIP Units that each grantee is entitled to receive. Each grantee may earn up to 150% of the number of his/her target LTIP Units. Any 2026 Annual Award LTIP Units that are not earned will be forfeited and cancelled.

Vesting. LTIP Units that are earned as of the end of the applicable performance period will vest in two installments as follows: 50% of the earned LTIP Units will become vested on the valuation date of the awards (which is expected to occur in February 2027) and 50% of the earned LTIP Units become vested on the one-year anniversary of the initial vesting date. Vesting may be accelerated under certain circumstances such as a "change-in-control" transaction or a "qualified termination" event.

Distributions. Distributions equal to the dividends declared and paid by the Company will accrue during the applicable performance period on the estimated number of LTIP Units that the grantee could earn and will be paid with respect to all of the earned LTIP Units at the conclusion of the applicable performance period, in cash or by the issuance of additional LTIP Units at the discretion of the Compensation Committee.

Long-Term Awards. The Long-Term Awards are subject to the terms and conditions of their related LTIP Long-Term Award Agreements (collectively the "LTIP Long-Term Award Agreements") between the Company and each grantee. The number of LTIP Units that each grantee earns under the LTIP Long-Term Award Agreements will be determined following the conclusion of a three-year performance period based on the Company's (i) total stockholder return ("TSR"), which is determined based on a combination of appreciation in stock price and dividends paid during the performance period, and (ii) relative stockholder return ("RSR"), which is determined by comparing the Company's TSR with the TSRs of the companies that comprise the Dow Jones U.S. Real Estate Health Care Index (the "Index"). Each grantee may earn up to 200% of the number of target LTIP Units covered by the grantee's Long-Term

Award. Any target LTIP Units that are not earned will be forfeited and cancelled. The number of LTIP Units earned under the Long-Term Awards will be determined as soon as reasonably practicable following the end of the applicable three-year performance period based on the Company's TSR on an absolute basis (as to 50% of the Long-Term Award) and RSR (as to 50% of the Long-Term Award).

Vesting. LTIP Units that are earned as of the end of the applicable three-year performance period will vest in two installments as follows: 50% of the earned LTIP Units will vest upon the day prior to the third anniversary of the respective grant dates and the remaining 50% will vest on the one-year anniversary of the initial vesting date. Vesting may be accelerated under certain circumstances such as a "change-in-control" transaction or a "qualified termination" event.

Distributions. Pursuant to the LTIP Long-Term Award Agreements, distributions equal to the dividends declared and paid by the Company will accrue during the applicable performance period on the estimated number of LTIP Units that the grantee could earn and will be paid with respect to all of the earned LTIP Units at the conclusion of the applicable performance period, in cash or by the issuance of additional LTIP Units at the discretion of the Compensation Committee.

Stock-Based Compensation Expense

Compensation expense for LTIP Unit grants, Annual Awards, and Long-Term Awards is based on the grant date fair value of the units/awards, with no subsequent remeasurement required.

As the Long-Term Awards involve market-based performance conditions, the Company utilizes a Monte Carlo simulation to provide a grant date fair value for expense recognition. The Monte Carlo simulation is a generally accepted statistical technique used, in this instance, to simulate a range of possible future stock prices for the Company and the members of the Index over the Performance Periods. The purpose of this modeling is to use a probabilistic approach for estimating the fair value of the performance share award.

The assumptions used in the Monte Carlo simulation include beginning average stock price, valuation date stock price, expected volatilities, correlation coefficients, risk-free rate of interest, and expected dividend yield. The beginning average stock price is the beginning average stock price for the Company and each member of the Index for the 15 trading days leading up to the grant date of the Long-Term Award. The valuation date stock price is the closing stock price of the Company and each of the peer companies in the Index on the grant dates of the Long-Term Awards. The expected volatilities are modeled using the historical volatilities for the Company and the members of the Index. The correlation coefficients are calculated using the same data as the historical volatilities. The risk-free rate of interest is taken from the U.S. Treasury website and relates to the expected life of the remaining performance period on valuation or revaluation. Lastly, the dividend yield assumption is 0.0%, which is mathematically equivalent to reinvesting dividends in the issuing entity, which is part of the Company's award agreement assumptions.

Below are details regarding certain of the assumptions for the Long-Term Awards using Monte Carlo simulations:

	2026 Long-Term Awards	2025 Long-Term Awards	2024 Long-Term Awards
Fair value	$ 36.96	$ 46.60	$ 46.85
Target awards	60,134	32,944	38,531
Volatility	32.31 %	28.67 %	28.12 %
Risk-free rate	3.44 %	4.00 %	4.38 %
Dividend assumption	reinvested	reinvested	reinvested
Expected term in years	3	3	3

The Company incurred stock compensation expense of $1,378 and $2,607 for the three and six months ended June 30, 2026, respectively, and $1,728 and $1,879 for the three and six months ended June 30, 2025, respectively, related to the grants awarded under the Plan. Compensation expense is included within "General and Administrative" expense in the Company's Condensed Consolidated Statements of Operations.

As of June 30, 2026, total unamortized compensation expense related to these awards of approximately $8.9 million is expected to be recognized over a weighted average remaining period of 1.9 years.

Note 8 – Leases

The Company operates as both a lessor and a lessee. As a lessor, the Company is required under ASC Topic 842 to account for leases using an approach that is substantially similar to ASC Topic 840's guidance for operating leases and other leases such as sales-type leases and direct financing leases. In addition, ASC Topic 842 requires lessors to capitalize and amortize only incremental direct leasing costs. As a lessee, the Company is required under the new standard to apply a dual approach, classifying leases, such as ground leases, as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase. This classification determines whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. ASC Topic 842 also requires lessees to record a right of use asset and a lease liability for all leases with an initial term of greater than a year regardless of their classification. The Company has also elected the practical expedient not to recognize right of use assets and lease liabilities for leases with a term of a year or less.

Information as Lessor

To generate positive cash flow, as a lessor, the Company leases its facilities to tenants in exchange for fixed monthly payments that cover rent, property taxes, insurance and certain cost recoveries, primarily common area maintenance ("CAM"). The Company's leases are typically operating leases and generally have initial terms of approximately 5 to 15 years. Payments from the Company's tenants for CAM are considered nonlease components that are separated from lease components and are generally accounted for in accordance with the revenue recognition standard. However, the Company qualified for and elected the practical expedient related to combining the components because the lease component is classified as an operating lease and the timing and pattern of transfer of CAM income, which is not the predominant component, is the same as the lease component, for all asset classes. As such, consideration for CAM is accounted for as part of the overall consideration in the lease. Payments from customers for property taxes and insurance are considered non-components of the lease and therefore no consideration is allocated to them because they do not transfer a good or service to the customer. Fixed contractual payments from the Company's leases are recognized on a straight-line basis over the terms of the respective leases. This means that, with respect to a particular lease, actual amounts billed in accordance with the lease during any given period may be higher or lower than the amount of rental revenue recognized for the period. Straight-line rental revenue is commenced when the tenant assumes control of the leased premises. Accrued straight-line rents receivable represents the amount by which straight-line rental revenue exceeds rents currently billed in accordance with lease agreements.

Some of the Company's leases are subject to annual changes in the Consumer Price Index ("CPI"). Although increases in CPI are not estimated as part of the Company's measurement of straight-line rental revenue, for leases with base rent increases based on CPI, the amount of rent revenue recognized is adjusted in the period the changes in CPI are measured and effective. Additionally, some of the Company's leases have extension options.

Initial direct costs, primarily commissions related to the leasing of our facilities are capitalized when material as incurred. Capitalized leasing costs are amortized on a straight-line basis over the remaining useful life of the respective leases. All other costs to negotiate or arrange a lease are expensed as incurred.

Lease-related receivables, which include accounts receivable and accrued straight-line rents receivable, are reduced for credit losses, if applicable. The Company regularly evaluates the collectability of its lease-related receivables. The Company's evaluation of collectability primarily consists of reviewing past due account balances and considering such factors as the credit quality of our tenant, historical trends of the tenant and changes in tenant payment terms. If the Company's assumptions regarding the collectability of lease-related receivables prove incorrect, the Company could experience credit losses in excess of what was recognized in rental and other revenues.

The Company recognized $37,060 and $75,081 of rental revenue related to operating lease payments for the three and six months ended June 30, 2026, respectively, and $37,880 and $72,475 of rental revenue related to operating lease payments for the three and six months ended June 30, 2025, respectively. Of these amounts, $1,596 and $3,188 relate to variable rental revenue for the three and six months ended June 30, 2026, respectively, and $2,028 and $3,821 relate to variable rental revenue for the three and six months ended June 30, 2025, respectively.

The aggregate annual cash to be received by the Company on the noncancelable operating leases related to its portfolio as of June 30, 2026 is as follows for the subsequent years ended December 31:

2026 (six months remaining)	$ 52,623
2027	97,583
2028	87,893
2029	73,305
2030	51,814
Thereafter	161,231
Total	$ 524,449

Information as Lessee

As of June 30, 2026, the Company has 12 buildings located on land that is subject to ground leases with a weighted average remaining term of approximately 43 years. Rental payments on these leases are adjusted periodically based on either the CPI or on a pre-determined schedule. The monthly payments on a pre-determined schedule are recognized on a straight-line basis over the terms of the respective leases. Changes in the CPI are not estimated as part of our measurement of straight-line rental expense. Some of the Company’s ground leases contain extension options and, where we determined it was reasonably certain that an extension would occur, they were included in our calculation of the right of use asset and liability. The Company recognized approximately $100 and $200 of ground lease expense during the three and six months ended June 30, 2026, respectively, of which $72 and $158 was paid in cash. The Company recognized approximately $95 and $156 of ground lease expense during the three and six months ended June 30, 2025, respectively, of which $89 and $135 was paid in cash. The Company incurred interest expense of $68 and $134 from ground leases that were classified as financing leases for the three and six months ended June 30, 2026, respectively, and $69 from ground leases that were classified as financing leases for the three and six months ended June 30, 2025.

The following table sets forth the undiscounted cash flows of our scheduled obligations for future lease payments on operating ground leases at June 30, 2026, and a reconciliation of those cash flows to the operating lease liability at June 30, 2026:

2026 (six months remaining)	$ 599
2027	1,212
2028	1,220
2029	1,239
2030	1,211
Thereafter	25,988
Total	31,469
Discount	(18,076)
Lease liability	$ 13,393

Tenant Concentration

During the six months ended June 30, 2026, the Company’s rental revenues were derived from 182 healthcare facilities, primarily outpatient medical facilities, and 2 SHOP communities with no single tenant or resident exceeding 10% of the Company’s rental revenue.

Note 9 – Commitments and Contingencies

Litigation

The Company is not presently subject to any material litigation nor, to its knowledge, is any material litigation threatened against the Company, which if determined unfavorably to the Company, would have a material adverse effect on the Company’s financial position, results of operations, or cash flows.

Environmental Matters

The Company follows a policy of monitoring its properties for the presence of hazardous or toxic substances. While there can be no assurance that a material environmental liability does not exist at its properties, the Company is not currently aware of any

Table of Contents

environmental liability with respect to its properties that would have a material effect on its financial position, results of operations, or cash flows. Additionally, the Company is not aware of any material environmental liability or any unasserted claim or assessment with respect to an environmental liability that management believes would require additional disclosure or the recording of a loss contingency.

Note 10 – Segment Information

The Company operates its business through two reportable segments: Healthcare Real Estate and SHOP. The Healthcare Real Estate segment consists of the Company's outpatient medical buildings and other healthcare properties, which are aggregated in accordance with ASC 280-10-50-11 based on similar economic characteristics, comparable long-term financial performance, and shared operating attributes including lease-based revenue streams (accounted for under ASC 842), similar tenant customer bases and regulatory environments, and consistent capital allocation approaches. The SHOP segment consists of seniors housing communities operated by third-party managers under RIDEA-compliant management agreements pursuant to which the Company (through one or more taxable REIT subsidiaries) recognizes the operating results of the communities as resident fees and services under ASC 606. The Company has one seniors housing operating property that is not structured under a RIDEA arrangement. This property is held through a taxable REIT subsidiary, or TRS, which manages the property, and the property is sub-managed by an eligible independent contractor.

The Company's CODM is its Chief Executive Officer. The CODM evaluates the operating performance of the Company's reportable segments and makes resource allocation decisions based primarily on Segment Net Operating Income ("Segment NOI"). Segment NOI is defined as total segment revenues less property-level operating expenses attributable to the segment. Segment NOI excludes general and administrative expenses, depreciation and amortization, interest expense, gains and losses on sales of real estate, transaction-related costs, impairments, and other corporate-level or non-property-level items.

The composition of the Company's reportable segments changed during the period ended June 30, 2026 to reflect the Company's strategic transition to seniors housing. The Company did not have a SHOP segment during the 2025 periods presented; accordingly, the 2025 SHOP amounts presented below reflect no activity.

Total assets by reportable business segment and segment-level significant expense categories are not disclosed as our CODM is not provided with such information to evaluate business performance and allocate resources.

Segment NOI by Reportable Segment and Reconciliation to Consolidated Net Income

Summary information by reportable segment for the three and six months ended June 30, 2026 is as follows (unaudited, in thousands):

	Three Months Ended June 30, 2026		
(in thousands)	**Healthcare Real Estate**	**SHOP**	**Total**
Revenues:			
Rental revenue	$ 37,060	$ -	$ 37,060
Resident fees and services	-	1,841	1,841
Other income	846	-	846
Total revenues	$ 37,906	$ 1,841	$ 39,747
			-
Property level expenses	(8,459)	(1,575)	(10,034)
NOI	$ 29,447	$ 266	$ 29,713
General and administrative expenses			(5,221)
Depreciation expense			(11,443)
Amortization expense			(3,833)
Interest expense, net			(8,806)
Gain on sale of real estate, net			71,881
Equity in earnings of unconsolidated joint ventures			(10)
Consolidated income			$ 72,281

(in thousands)	Six Months Ended June 30, 2026 Healthcare Real Estate	SHOP	Total
Revenues:			
Rental revenue	$ 75,081	$ -	$ 75,081
Resident fees and services	-	1,841	1,841
Other income	889	-	889
Total revenues	$ 75,970	$ 1,841	$ 77,811
			-
Property level expenses	(17,709)	(1,575)	(19,284)
NOI	$ 58,261	$ 266	$ 58,527
General and administrative expenses			(10,310)
Depreciation expense			(22,530)
Amortization expense			(7,573)
Interest expense, net			(16,039)
Gain on sale of real estate, net			71,881
Equity in earnings of unconsolidated joint ventures			(21)
Consolidated income			$ 73,935

Summary information by reportable segment for the three and six months ended June 30, 2025 is as follows (unaudited, in thousands):

(in thousands)	Three Months Ended June 30, 2025 Healthcare Real Estate	SHOP	Total
Revenues:			
Rental revenue	$ 37,880	$ -	$ 37,880
Resident fees and services	-	-	-
Other income	89	-	89
Total revenues	$ 37,969	$ -	$ 37,969
			-
Property level expenses	(8,216)	-	(8,216)
NOI	$ 29,753	$ -	$ 29,753
General and administrative expenses			(6,025)
Depreciation expense			(11,307)
Amortization expense			(3,984)
Interest expense, net			(8,009)
Gain on sale of real estate, net			207
Equity in earnings of unconsolidated joint ventures			(50)
Consolidated income			$ 585

(in thousands)	Six Months Ended June 30, 2025 Healthcare Real Estate	SHOP	Total
Revenues:			
Rental revenue	$ 72,475	$ -	$ 72,475
Resident fees and services	-	-	-
Other income	112	-	112
Total revenues	$ 72,587	$ -	$ 72,587
			-
Property level expenses	(15,800)	-	(15,800)
NOI	$ 56,787	$ -	$ 56,787
General and administrative expenses			(9,645)
Depreciation expense			(21,614)
Amortization expense			(7,504)
Interest expense, net			(15,176)
Gain on sale of real estate, net			1,565
Equity in earnings of unconsolidated joint ventures			(91)
Consolidated income			$ 4,322

Concentration of Revenue

For the three and six months ended June 30, 2026, properties managed by Greystone Communities represented 100% of SHOP segment revenues. No other single tenant, operator, or manager represented 10% or more of consolidated total revenues for the periods presented.

All of the Company's revenues for each of the periods presented were derived from properties located in the United States.

Note 11 – Income Taxes

The Company qualifies as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended. As such, the Company is generally not taxed on income that is distributed to its stockholders.

Under RIDEA, a REIT may lease a "qualified healthcare property" on an arm's-length basis to a TRS if the property is operated on behalf of such TRS by a person who qualifies as an “eligible independent operator.” Generally, the rent received from the TRS will meet the related party exception and will be treated as “rents from real property.” A "qualified healthcare property" includes real property and any personal property that is, or is necessary or incidental to the use of, a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility, or other licensed facility which extends medical or nursing or ancillary services to patients. The Company owns one IL facility that is operated as a SHOP asset but is not structured under a RIDEA arrangement. The facility is managed by a TRS and the TRS has engaged an eligible independent contractor to sub-manage the facility. Income generated by the TRS is subject to federal and state income taxes, as applicable.

Resident fees and services revenue and related operating expenses for the Company’s RIDEA properties are reported on its Consolidated Statements of Income and are subject to federal, state and local income taxes. For the Company’s non-RIDEA SHOP asset, the applicable TRS earns a management fee in connection with its management of the facility and pays a sub-management fee to an eligible independent contractor that sub-manages the facility. Taxable income of the TRS is subject to federal and state income taxes, as applicable.

Our provision for income taxes for the three and six months ended June 30, 2026 was insignificant.

Note 12 – Subsequent Events

On July 10, 2026, the Company entered into a purchase agreement with SSL to acquire a parcel of land located in Reston, Virginia (the “Reston Land Parcel”) for a purchase price of approximately $15.0 million. The Company expects that a seniors housing community will be developed on the land. The acquisition remains subject to customary closing conditions and is expected to close in August 2026.

On July 16, 2026, the Company appointed Aaron Roseth as its Chief Operating Officer and Robert Zeiller as its Chief Development Officer and Head of Seniors Housing. Prior to joining the Company, Mr. Zeiller served as Chief Executive Officer of SSL, affiliates of which (i) were the managing member of the seller of the Landing and Riviera communities and (ii) are the managing member of the seller of (a) the Pinnacle North Bethesda community and (b) the Reston Land Parcel, both of which the Company is currently under contract to acquire. Mr. Zeiller has a consulting agreement (through December 31, 2026) with, is a director of and retains a minority ownership interest in SSL. As a result of Mr. Zeiller's appointment and continuing relationship with SSL, the Company considers SSL and the applicable property transactions to be related party relationships beginning on July 16, 2026. In connection with these appointments, Danica Holley, the Company's former Chief Operating Officer, has been appointed Chief Administrative Officer.

On July 28, 2026, the Company originated an approximately $2.2 million mezzanine loan secured by interests in an entity that owns an under-development medical facility in Daleville, Virginia. The medical facility is a two-story, approximately 40,000 square foot freestanding emergency department and medical office building that is 100% pre-leased to an investment-grade regional healthcare system under a 15-year lease. The loan bears interest at 12% per annum, has an initial term of 24-month and included a 2.0% origination fee, with completion and repayment supported by a corporate guaranty. In connection with the loan, the Company holds a right of first offer and right of first refusal with respect to a sale of the property, which are subject to the pre-leased tenant's corresponding rights.

On August 3, 2026, the Company entered into an agreement to sell its surgical hospital in Beaumont, Texas for approximately $49 million to an affiliate of a Delaware statutory trust ("DST"). The Company expects to receive proceeds from the sale as beneficial interests in the DST are sold to investors.

On August 3, 2026, the Company appointed Matthew Whitlock as its Chief Investment Officer. Mr. Whitlock will lead the Company's investment activities, with responsibility for sourcing, structuring, and executing senior housing investments, cultivating strategic partnerships, and helping guide the continued growth of Chiron's senior housing platform. In connection with Mr. Whitlock's appointment, the Company's former Chief Investment Officer, Alfonzo Leon, has transitioned to the role of Strategic Advisor through December 31, 2026.

There can be no assurance that acquisitions or dispositions will be completed on the anticipated timeline or at all.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our financial statements, including the notes to those financial statements, included elsewhere in this Quarterly Report on Form 10-Q (this "Report"). Some of the statements we make in this section are forward-looking statements within the meaning of the federal securities laws. For a complete discussion of forward-looking statements, see the section below entitled "Special Note Regarding Forward-Looking Statements." Certain risk factors may cause actual results, performance, or achievements to differ materially from those expressed or implied by the following discussion. For a discussion of such risk factors, see Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Annual Report"), that was filed with the U.S. Securities and Exchange Commission (the "SEC" or the "Commission") on March 2, 2026 and Item 1A. Risk Factors in this Quarterly Report on Form 10-Q. Unless otherwise indicated, all dollar amounts in the following discussion are presented in thousands.

Special Note Regarding Forward-Looking Statements

This Report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act")). In particular, statements pertaining to our trends, liquidity, capital resources, future dividends, pending acquisitions, potential sales, the healthcare industry, the healthcare real estate markets and seniors housing opportunities, among others, contain forward-looking statements. You can identify forward-looking statements by the use of forward-looking terminology including, but not limited to, "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- difficulties in identifying healthcare and seniors housing facilities to acquire (due to increased cost of capital, competition or otherwise) and completing such acquisitions;
- defaults on or non-renewal of leases by tenants;
- our ability to collect rents;
- increases in interest rates and increased operating costs;
- our operating assets in our SHOP segment may expose us to various operational risks, liabilities and claims;
- our ability to renew our management agreements with our SHOP managers on as favorable terms or at all, and our ability when necessary, to effectively and efficiently transition a SHOP community to a new manager;
- our ability to successfully re-align our portfolio in connection with the expansion of our investment strategy to focus primarily on seniors housing properties;
- macroeconomic and geopolitical factors, including, but not limited to, inflationary pressures, tariffs and international trade policies, elevated interest rates, distress in the banking sector, global supply chain disruptions and ongoing geopolitical conflicts and war;
- changes in current healthcare and healthcare real estate trends and costs, including wage inflation;
- an epidemic or pandemic (such as the COVID-19 epidemic), and the measures that international, federal, state and local governments, agencies, law enforcement and/or health authorities implement to address it;
- our ability to satisfy the covenants in our existing and any future debt agreements;
- our ability to refinance our existing debt when needed or on favorable terms;
- decreased rental rates or increased vacancy rates, including expected rent levels on acquired properties;
- adverse economic or real estate conditions or developments, either nationally or in the markets in which our facilities are located;
- our failure to generate sufficient cash flows to service our outstanding obligations;
- our ability to satisfy our short and long-term liquidity requirements;
- our ability to deploy the debt and equity capital we raise;
- our ability to hedge our interest rate risk;
- our ability to raise additional equity and debt capital on attractive terms or at all;
- our ability to make distributions on shares of our common and preferred stock or to redeem our preferred stock;
- expectations regarding the timing and/or completion of any acquisition;
- expectations regarding the timing and/or completion of dispositions, and the expected use of proceeds therefrom;
- our use of joint ventures may limit our returns on and our flexibility with jointly-owned investments;
- general volatility of the market price of our common and preferred stock;

- changes in our business or our investment or financing strategy;
- our dependence upon key personnel, whose continued service is not guaranteed;
- our ability to identify, hire and retain highly qualified personnel in the future;
- the degree and nature of our competition;
- changes in healthcare laws, governmental regulations, tax laws and similar matters;
- changes in expected trends in Medicare, Medicaid and commercial insurance reimbursement trends, including changes in Medicaid reimbursement rates pursuant to the One Big Beautiful Bill Act (the “OBBBA”);
- competition for investment opportunities;
- our failure to achieve the anticipated benefits from, and effectively integrate, our completed or anticipated acquisitions and investments;
- our expected capital and tenant improvement expenditures;
- changes in accounting policies generally accepted in the United States of America (“GAAP”);
- lack of, or insufficient amounts of, insurance;
- other factors affecting the real estate industry generally;
- changes in the tax treatment of our distributions;
- our failure to maintain our qualification as a real estate investment trust (“REIT”) for U.S. federal income tax purposes;
- our ability to qualify for the safe harbor from the 100% prohibited transactions tax under the REIT rules with respect to our property dispositions; and
- limitations imposed on our business due to, and our ability to satisfy, complex rules relating to REIT qualification for U.S. federal income tax purposes.

See Item 1A. Risk Factors in our 2025 Annual Report and Item 1A. Risk Factors in this Quarterly Report on Form 10-Q for further discussion of these and other risks, as well as the risks, uncertainties and other factors discussed in this Report and identified in other documents we may file with the SEC from time to time. You should carefully consider these risks before making any investment decisions in our company. New risks and uncertainties may also emerge from time to time that could materially and adversely affect us. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes after the date of this Report, except as required by applicable law. You should not place undue reliance on any forward-looking statements that are based on information currently available to us or the third parties making the forward-looking statements.

Overview

Chiron Real Estate Inc. (the “Company”) is a Maryland corporation and internally managed real estate investment trust (“REIT”) that owns (i) healthcare facilities leased to physician groups and regional and national healthcare systems and (ii) seniors housing communities. The Company’s seniors housing includes independent living communities (“IL”), assisted living communities (“AL”), memory care communities (“MC”) and active adult communities. As of June 30, 2026, the Company’s total gross investment portfolio consisted of 82% healthcare facilities, primarily outpatient medical facilities, 16% seniors housing operating portfolio (“SHOP”) assets, and 2% unconsolidated joint ventures and other investments.

The Company holds its facilities and conducts its operations through a Delaware limited partnership subsidiary, Chiron Real Estate LP (the "Operating Partnership"). The Company serves as the sole general partner of the Operating Partnership through a wholly owned subsidiary of the Company, Chiron Real Estate GP LLC, a Delaware limited liability company. As of June 30, 2026, the Company owned 91.3% of the outstanding common operating partnership units ("OP Units"), with the remaining 8.7% owned by holders of long-term incentive plan units ("LTIP Units") and third-party limited partners who contributed properties or services in exchange for OP Units.

Our revenues are derived from the rental and operating expense reimbursement payments we receive from our tenants, and most of our leases are medium to long-term triple net leases with contractual rent escalation provisions. We also derive revenue from resident agreements at our SHOP communities. Our primary expenses are depreciation, interest, property operating and general and administrative expenses. We finance our acquisitions with a mixture of debt and equity primarily from our cash from operations, borrowings under our Credit Facility, and stock issuances.

On September 19, 2025, the Company completed a one-for-five reverse stock split of its outstanding shares of common stock, with a corresponding adjustment to the outstanding partnership units of the Operating Partnership (the "Reverse Stock Split"). Unless otherwise noted, all common share and unit amounts shown herein are shown on a split-adjusted basis.

Business Overview and Strategy

We have expanded our business strategy to focus primarily on investments in seniors housing communities that provide an attractive rate of return relative to our cost of capital and are in attractive markets with favorable demographic trends. We believe these asset classes are well positioned to benefit from the growing needs of an aging population and support our goals of providing stockholders with (i) attractive dividends and (ii) stock price appreciation. We are focused on transitioning our asset base from one historically concentrated in outpatient medical facilities to one more heavily weighted toward seniors housing communities.

We also intend to utilize our experience and knowledge of inpatient rehabilitation facilities and outpatient medical real estate to manage our existing joint ventures and to evaluate healthcare real estate opportunities that complement our seniors housing strategy.

Most of our legacy healthcare facilities are leased to single tenants under triple-net leases. Our portfolio also contains some multi-tenant properties with gross lease or modified gross lease structures. In addition, we own SHOP communities from which we derive revenue from resident agreements. As of June 30, 2026, we also had an interest in four unconsolidated joint ventures that own or are developing healthcare and active adult facilities.

Our Properties

As of June 30, 2026, we had gross investments of approximately $1.6 billion in real estate, consisting of 182 healthcare facilities, primarily outpatient medical facilities, with an aggregate of approximately 4.6 million leasable square feet, and 2 SHOP communities, with an aggregate of 292 homes. This data does not include amounts for properties held in our unconsolidated joint ventures.

2026 Investment Activity

<u>*Acquired Properties*</u>

On June 1, 2026, the Company completed the acquisition of The Landing Alexandria (the "Landing"), a 163-home, luxury seniors housing community located in Alexandria, Virginia, from affiliates of Silverstone Senior Living ("SSL") for a purchase price of approximately $130 million. The Landing has operated since May 2022 and offers independent living, assisted living and memory care.

On June 1, 2026, the Company completed the acquisition of The Riviera at Alexandria (the "Riviera"), a 129-home, luxury seniors housing community located in Alexandria, Virginia, from affiliates of SSL for a purchase price of approximately $119 million. The Riviera is a newly developed independent living community that opened in March 2026 and remains in lease-up.

The Company operates the Landing and the Riviera as SHOP communities and one of its taxable REIT subsidiaries ("TRS") has engaged an affiliate of Greystone Communities to manage the day-to-day operations of the communities. Under this structure, the

Company owns the real estate and participates directly in the operating results of the communities, including revenues and operating expenses, rather than receiving fixed lease payments from a third-party tenant.

Properties Under Contract

On May 6, 2026, the Company entered into an agreement to acquire The Pinnacle North Bethesda (the "Pinnacle"), a newly constructed luxury senior housing community located in North Bethesda, Maryland, from an affiliate of SSL for a purchase price of approximately $176 million, subject to customary closing conditions and purchase price adjustments. The Pinnacle is expected to contain 175 homes, including independent living, assisted living, and memory care homes, together with ground floor retail. The closing of the Pinnacle acquisition is expected to occur on or before October 2026, subject to the satisfaction or waiver of customary closing conditions.

On July 10, 2026, the Company entered into a purchase agreement with SSL to acquire a parcel of land located in Reston, Virginia for a purchase price of approximately $15.0 million. The Company expects that a seniors housing community will be developed on the land. The acquisition remains subject to customary closing conditions and is expected to close in August 2026.

On August 3, 2026, the Company entered into an agreement to sell its surgical hospital in Beaumont, Texas for approximately $49 million to an affiliate of a Delaware statutory trust ("DST"). The Company expects to receive proceeds from the sale as beneficial interests in the DST are sold to investors.

There can be no assurance that acquisitions or dispositions will be completed on the anticipated timeline or at all.

Joint Ventures

On January 6, 2026, the Company entered into a joint venture with a developer to facilitate the development of a 132-home, active adult residential community in a suburb of Minneapolis, Minnesota (the "Maple Grove Active Adult Joint Venture"). We invested $7.1 million for a 49% equity interest in the Maple Grove Active Adult Joint Venture, with the developer retaining a 51% interest. The Maple Grove Active Adult Joint Venture entered into a construction loan with a principal balance of $31.0 million, of which $10.1 million was drawn on as of June 30, 2026. The developer is serving as the managing member of the Maple Grove Active Adult Joint Venture. We account for our interest in the Maple Grove Active Adult Joint Venture using the equity method of accounting.

On May 13, 2026, the Company entered into a joint venture with a developer to facilitate the development of an active adult residential community near Hudson, Wisconsin (the "Hudson Active Adult Joint Venture"). We invested $6.7 million for a 49% equity interest, with the developer retaining a 51% interest and serving as the managing member. We account for our interest in the Hudson Active Adult Joint Venture using the equity method of accounting.

On June 10, 2026, the Heitman OM Joint Venture acquired an additional medical office building located near Minneapolis, Minnesota, for a purchase price of $10.3 million, with the Company contributing its 12.5% proportionate share of the purchase price in accordance with the joint venture agreement. The Heitman OM Joint Venture has obtained two mortgage loans with a total principal balance of $22.9 million.

On June 29, 2026, the Company completed the sale of seven inpatient rehabilitation facilities ("IRFs") to a newly formed joint venture (the "IRF Joint Venture") between the Company, through its Operating Partnership, and a U.S. public pension fund (the "IRF JV Partner"). The portfolio was valued at an aggregate purchase price of $217 million and comprised approximately 456,000 square feet of space that was 100% leased with a weighted average remaining lease term of eight years. In connection with the transaction, the Company received net proceeds of $211.4 million, before funding its $16.3 million retained equity investment in the IRF Joint Venture, and recognized a gain on the sale of investment properties of $71.9 million. The IRF JV Partner acquired an 85% equity interest and controls the IRF Joint Venture through its voting interest, while the Company acquired a 15% equity interest, serves as manager of the joint venture, and continues to oversee asset management in exchange for a management fee. The IRF Joint Venture obtained a mortgage loan with a principal balance of $108.5 million, and the Company accounts for its retained interest using the equity method of accounting.

Real Estate Loans

On April 1, 2026, the Company originated a $3.0 million mezzanine loan secured by interests in an entity that owns an under-development medical facility located in Fort Myers, Florida, of which $2.9 million was drawn as of June 30, 2026. The medical facility is an on-campus outpatient surgical facility that is 100% pre-leased to an investment-grade tenant under a 15-year lease. The loan bears interest at a rate of 12.0% per annum and has an initial term of 24 months and included a 2.0% origination fee, with completion and repayment supported by a corporate guaranty. In connection with the loan, the Company holds a right of first offer and right of first refusal with respect to a sale of the property, which are subject to the pre-leased tenant's corresponding rights.

On July 28, 2026, the Company originated an approximately $2.2 million mezzanine loan secured by interests in an entity that owns an under-development medical facility in Daleville, Virginia. The medical facility is a two-story, approximately 40,000 square foot freestanding emergency department and medical office building that is 100% pre-leased to an investment-grade regional healthcare system under a 15-year lease. The loan bears interest at 12% per annum, has an initial term of 24-month and included a 2.0% origination fee, with completion and repayment supported by a corporate guaranty. In connection with the loan, the Company holds a right of first offer and right of first refusal with respect to a sale of the property, which are subject to the pre-leased tenant's corresponding rights.

2026 Disposition Activity

On June 29, 2026, the Company disposed of certain properties in connection with its investment activity, including the sale of seven IRFs to the IRF Joint Venture described above under "Joint Ventures."

Recent Developments

On January 20, 2026, White Rock Medical Center LLC, filed for Chapter 11 bankruptcy protection under the United States Bankruptcy Code. At the time of its bankruptcy filing, White Rock operated two hospitals in Texas, including the White Rock Medical Center in Dallas, Texas, an acute-care hospital owned by the Company where White Rock is the sole tenant and has been operating the hospital since October 2023. There are 12 years remaining on this lease. According to the filed bankruptcy documents, the primary reason for the bankruptcy is a dispute with the former operator of the facility related to amounts due to the former operator. Accordingly White Rock plans to (i) restructure indebtedness related to its purchase of the hospital operations at the White Rock Medical Center and a related transition services agreement and (ii) sell its hospital operations to a third party, with the goal of stabilizing its operations and maximizing value to its stakeholders. As a means of assisting White Rock in its stabilization efforts, the Company has funded annual property tax obligations due under the lease and accepted reduced monthly payments. As of August 3, 2026, the Company has a receivable balance, net of security deposits, of approximately $1.7 million (exclusive of late fees and interest thereon). On July 10, 2026, White Rock filed its Second Plan of Reorganization where it indicated that it plans on affirming our lease as part of its reorganization plan. Although White Rock indicated that it intends on affirming our lease, there can be no assurance that White Rock will not change its plan to affirm its lease with us or that we will receive any amounts owed to us.

Trends Which May Influence Our Results of Operations

We believe the following trends may positively impact our results of operations:

- *An aging population*. The general aging of the population, driven by the large baby boomer generation (born 1946-1964) and increases in life expectancy due to advances in medical technology and services, continues to be a key driver of growth in healthcare expenditures. According to the most recent U.S. Census Bureau estimates, the population age 65 and older grew by over a third during the past decade, and roughly 3.1% from 2023 to 2024 and is projected to continue growing at a rate that exceeds that of the overall U.S. population. We believe this segment of the U.S. population will utilize many of the services provided at our healthcare facilities, including orthopedics, cardiovascular, gastroenterology and rehabilitation services.

- *Seniors housing communities.* As occupancy continues to recover in many markets and new supply remains constrained, owners of seniors housing properties have generally seen improving profitability and greater pricing power, including the ability to increase resident fees and reduce concessions. Margin recovery remains influenced by labor availability and wage pressure, as well as elevated insurance and other operating costs; accordingly, community performance tends to be strongest at well-located assets with experienced operators and favorable payer/resident mix.

- *A continuing shift towards outpatient care*. According to the American Hospital Association, patients are demanding more outpatient operations. We believe this shift in patient preference from inpatient to outpatient facilities will benefit our tenants as most of our properties consist of outpatient facilities.

- *Physician practice group and hospital consolidation*. We believe the trend towards physician group consolidation will serve to strengthen the credit quality of our tenants if our tenants merge or are consolidated with larger health systems.

We believe the following trends may negatively impact our results of operations:

- *Interest rates remain at elevated levels.* During 2025, the U.S. Federal Reserve (the "Fed") continued lowering the Federal Funds Rate, with the most recent reduction in December 2025 bringing the target range to 3.50% to 3.75%, where it remained through June 30, 2026. During the first six months of 2026, the 10-year U.S. Treasury yield and the Secured Overnight Financing Rate ("SOFR") increased modestly. As of June 30, 2026 the 10-year U.S. Treasury yield was 4.44% and one-month term SOFR was 3.63%.

- Although interest rates declined during 2025, they remain significantly higher than in 2021, when we entered into interest rate swaps with respect to the $350 million Term Loan A component of our Credit Facility. Those swaps fixed the SOFR component of the interest rate on Term Loan A at 1.36% and expired in April 2026, the original maturity date of Term Loan A. In connection with the extension and restructuring of Term Loan A, we entered into new interest rate swaps that fully hedge the SOFR components of the three new Term Loan A tranches through their respective maturities at fixed SOFR rates ranging from 3.24% to 3.32%. The current elevated interest rate environment has resulted in material increases in our interest expense with respect to our unhedged floating-rate indebtedness and, beginning in May 2026, increased our interest expense on the hedged Term Loan A tranches due to the higher fixed SOFR rates under the new swaps.

- *Labor and wage pressure.* Assisted living wage rates continued to rise in 2025 across nursing and direct-care roles. The Assisted Living Salary & Benefits Report cited by Senior Housing News reported 2025 hourly wage increases of approximately 2.96% for registered nurses, 2.77% for certified nursing assistants, 2.98% for resident assistants and 3.15% for medication aides. It also reported assisted living turnover of 34.53%, with resident assistant and personal care aide turnover above 40%.

- *Increased Cost of Healthcare Delivery*. Healthcare delivery costs continue to increase due to, among other things, increases in labor costs, medical supplies and technology investments. Increases in the cost of healthcare delivery can put stress on our tenants' business, which, if not offset by revenue increases, could negatively affect our tenants' ability to pay rent to us.

- *Changes in third party reimbursement methods and policies*. The price of healthcare services has been increasing, and, as a result, we believe that third-party payors, such as Medicare and commercial insurance companies, will continue to scrutinize and reduce the types of healthcare services eligible for, and the amounts of, reimbursement under their health insurance plans or increase the portion of premiums for which covered individuals are responsible. In January 2026, CMS announced proposed rate increases for 2027 to Medicare Advantage health plans of less than a tenth of a percent, which was less than market expectations. However, in April 2026, CMS finalized a net average increase of approximately 2.5%, representing more than $13 billion of additional payments to Medicare Advantage plans compared to 2026. While the final rate increase was significantly higher than initially proposed, reimbursement pressure on healthcare providers and payors remains a continuing industry concern. Additionally, beginning on January 1, 2026, premium tax credits that were intended to assist certain participants on the healthcare insurance exchanges in purchasing health insurance expired, which could result in significant premium increases for these participants. If these trends continue, our tenants' businesses will continue to be negatively affected, which may impact their ability to pay rent to us.

Critical Accounting Estimates

The preparation of financial statements in conformity with GAAP requires our management to use judgment in the application of accounting policies, including making estimates and assumptions. We base estimates on the best information available to us at the time, our experience and on various other assumptions believed to be reasonable under the circumstances. These estimates affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions or other matters had been different, it is possible that different accounting would have been applied, resulting in a different presentation of our financial statements. From time to time, we re-evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 2, 2026, for further information regarding the critical accounting policies that affect our more significant estimates and judgments used in the preparation of our condensed consolidated financial statements included in Part I, Item 1 of this Report.

Segment Results

Beginning June 1, 2026, we operate through two reportable segments: Healthcare Real Estate and SHOP. Healthcare Real Estate continues to represent the majority of our revenues and Segment NOI for the three and six months ended June 30, 2026. SHOP results reflect one month of operations from the Landing and the Riviera following their acquisition on June 1, 2026. SHOP Segment NOI was $0.3 million for both the three and six months ended June 30, 2026, reflecting the partial-period contribution from these communities. We expect SHOP to become a more significant component of our results as recently acquired communities stabilize and as we continue to pursue our seniors housing investment strategy.

Consolidated Results of Operations

Three Months Ended June 30, 2026 Compared to Three Months Ended June 30, 2025

	Three Months Ended June 30,		
	2026	2025	$ Change
	(in thousands)		
Revenue			
Rental revenue	$ 37,060	$ 37,880	$ (820)
Resident fees and services	1,841	—	1,841
Other income	846	89	757
Total revenue	39,747	37,969	1,778
Expenses			
General and administrative	5,221	6,025	(804)
Operating expenses	10,034	8,216	1,818
Depreciation expense	11,443	11,307	136
Amortization expense	3,833	3,984	(151)
Interest expense	8,806	8,009	797
Total expenses	39,337	37,541	1,796
Income before other income (expense)	410	428	(18)
Gain on sale of investment properties	71,881	207	71,674
Equity loss from unconsolidated joint ventures	(10)	(50)	40
Net income	$ 72,281	$ 585	$ 71,696

Revenue

Total Revenue

Total revenue for the three months ended June 30, 2026 was $39.7 million, compared to $38.0 million for the same period in 2025, representing an increase of $1.7 million. The increase was primarily driven by $1.8 million of resident fees and services recognized during the one-month period that we owned the Landing and the Riviera. These increases were partially offset by the impact of dispositions completed during 2026 and 2025. Within total revenue, $5.6 million was recognized from net lease expense recoveries during the three months ended June 30, 2026, compared to $5.4 million for the same period in 2025.

Expenses

General and Administrative

General and administrative expenses for the three months ended June 30, 2026 were $5.2 million, compared to $6.0 million for the same period in 2025, a decrease of $0.8 million. The decrease was primarily driven by a decrease in professional fees of $0.4 million, non-cash LTIP compensation expense of $0.3 million, and general corporate expenses of $0.1 million.

Operating Expenses

Operating expenses for the three months ended June 30, 2026 were $10.0 million, compared to $8.2 million for the same period in 2025, an increase of $1.8 million. The increase was primarily attributable to $1.6 million of operating expenses related to the Landing and the Riviera for the one-month period that we owned these properties during the three months ended June 30, 2026. Operating expenses in the existing portfolio also increased by $0.4 million, reflecting higher property-level costs year-over-year. These increases were partially offset by the dispositions completed during 2026 and 2025. Included in these amounts were $5.6 million of recoverable property operating expenses incurred during the three months ended June 30, 2026, compared to $5.4 million for the same period in 2025.

Depreciation Expense

Depreciation expense for the three months ended June 30, 2026 was $11.4 million, compared to $11.3 million for the same period in 2025, an increase of $0.1 million. The increase was primarily driven by our 2026 acquisitions, partially offset by the impact of dispositions completed during 2026 and 2025.

Amortization Expense

Amortization expense for the three months ended June 30, 2026 was $3.8 million, compared to $4.0 million for the same period in 2025, a decrease of $0.2 million. The decrease was primarily driven by decreases on the existing portfolio during that same period.

Interest Expense

Interest expense for the three months ended June 30, 2026 was $8.8 million, compared to $8.0 million for the same period in 2025, an increase of $0.8 million. The increase was partially driven by higher interest rates resulting from the expiration in April 2026 of the prior interest rate swaps on our Term Loan A and the replacement of those swaps with new interest rate swaps on the Term Loan A tranches that fix the SOFR component of the applicable interest rate at higher rates than the prior swaps. The increase was also partially attributable to higher average borrowings during the three months ended June 30, 2026 compared to the same period in 2025.

The weighted average interest rate of our debt for the three months ended June 30, 2026 was 4.32% compared to 4.03% for the same period in 2025. Additionally, the weighted average interest rate and term of our debt was 4.56% and 3.6 years, respectively, at June 30, 2026, compared to 4.09% and 1.6 years, respectively, at June 30, 2025.

Income Before Other Income (Expense)

Income before other income (expense) for the three months ended June 30, 2026 was $0.4 million, compared to $0.4 million for the same period in 2025.

Gain on Sale of Investment Properties

During the three months ended June 30, 2026, we recognized a gain on sale of investment properties of $71.9 million related to properties sold in connection with the establishment of the IRF Joint Venture. During the three months ended June 30, 2025, we completed one disposition recognizing a gain on sale of investment properties of $0.2 million.

Equity Loss from Unconsolidated Joint Ventures

Equity Loss from Unconsolidated Joint Ventures for the three months ended June 30, 2026 was $10 thousand, compared to $50 thousand for the same period in 2025, a decrease of $40 thousand.

Net Income

Net income for the three months ended June 30, 2026 was $72.3 million, compared to net income of $0.6 million for the same period in 2025, an increase of $71.7 million.

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

	Six Months Ended June 30, 2026	2025	$ Change
	(in thousands)		
Revenue			
Rental revenue	$ 75,081	$ 72,475	$ 2,606
Resident fees and services	1,841	—	1,841
Other income	889	112	777
Total revenue	77,811	72,587	5,224
Expenses			
General and administrative	10,310	9,645	665
Operating expenses	19,284	15,800	3,484
Depreciation expense	22,530	21,614	916
Amortization expense	7,573	7,504	69
Interest expense	16,039	15,176	863
Total expenses	75,736	69,739	5,997
Income before other income (expense)	2,075	2,848	(773)
Gain on sale of investment properties	71,881	1,565	70,316
Equity loss from unconsolidated joint venture	(21)	(91)	70
Net income	$ 73,935	$ 4,322	$ 69,613

Revenue

Total Revenue

Total revenue for the six months ended June 30, 2026 was $77.8 million, compared to $72.6 million for the same period in 2025, representing an increase of $5.2 million. The increase was primarily attributable to $2.5 million of rental revenue from acquisitions completed during the six months ended June 30, 2025, reflecting a full six months of ownership in 2026. The increase was also driven by $2.4 million of growth in our existing portfolio and $1.8 million of resident fees and services recognized during the one-month period in which we owned the Landing and the Riviera. These increases were partially offset by the impact of dispositions completed during 2026 and 2025. Within total revenue, $11.9 million was recognized from net lease expense recoveries during the six months ended June 30, 2026, compared to $10.6 million for the same period in 2025.

Expenses

General and Administrative

General and administrative expenses for the six months ended June 30, 2026 were $10.3 million, compared to $9.6 million for the same period in 2025, an increase of $0.7 million. The increase was primarily driven by an increase in non-cash LTIP compensation expense of $0.7 million.

Operating Expenses

Operating expenses for the six months ended June 30, 2026 were $19.3 million, compared to $15.8 million for the same period in 2025, an increase of $3.5 million. The increase was primarily attributable to $1.6 million of SHOP operating expenses recognized during the one-month period in which we owned the Landing and the Riviera, $1.3 million of operating expenses from acquisitions completed during the six months ended June 30, 2025, reflecting a full six months of ownership in 2026, and $1.1 million of growth in our existing portfolio, reflecting higher property-level costs year-over-year. These increases were partially offset by the impact of dispositions completed during 2026 and 2025. Included in these amounts were $11.9 million of recoverable property operating expenses incurred during the six months ended June 30, 2026, compared to $10.6 million for the same period in 2025.

Table of Contents

Depreciation Expense

Depreciation expense for the six months ended June 30, 2026 was $22.5 million, compared to $21.6 million for the same period in 2025, an increase of $0.9 million. The increase was primarily attributable to $1.2 million of depreciation expense from acquisitions completed during the six months ended June 30, 2025, reflecting a full six months of ownership in 2026, and $0.4 million of SHOP depreciation expense recognized during the one-month period in which we owned the Landing and the Riviera. These increases were partially offset by the impact of dispositions completed during 2026 and 2025.

Amortization Expense

Amortization expense for the six months ended June 30, 2026 was $7.6 million, compared to $7.5 million for the same period in 2025, an increase of $0.1 million. The increase was primarily attributable to $0.7 million of amortization expense from acquisitions completed during the six months ended June 30, 2025, reflecting a full six months of ownership in 2026, and $0.1 million of SHOP amortization expense recognized during the one month period in which we owned the Landing and the Riviera. These increases were partially offset by $0.5 million of amortization expense decreases in our existing portfolio, and $0.2 million due to the impact of dispositions completed during 2026 and 2025.

Interest Expense

Interest expense for the six months ended June 30, 2026 was $16.0 million, compared to $15.2 million for the same period in 2025, an increase of $0.8 million. The increase was partially driven by higher interest rates resulting from the expiration in April 2026 of the prior interest rate swaps on our Term Loan A and the replacement of those swaps with new interest rate swaps on the Term Loan A tranches that fixed the SOFR component of the applicable interest rate at higher rates than the prior swaps. The increase was also partially attributable to higher average borrowings during the six months ended June 30, 2026 compared to the same period in 2025.

The weighted average interest rate of our debt for the six months ended June 30, 2026 was 4.03% compared to 3.93% for the same period in 2025. Additionally, the weighted average interest rate and term of our debt was 4.56% and 3.6 years, respectively, at June 30, 2026 compared to 4.09% and 1.6 years, respectively, at June 30, 2025.

Income Before Other Income (Expense)

Income before other income (expense) for the six months ended June 30, 2026 was $2.1 million, compared to $2.8 million for the same period in 2025, a decrease of $0.7 million.

Gain on Sale of Investment Properties

During the six months ended June 30, 2026, we recognized a gain on sale of investment properties of $71.9 million related to properties sold in connection with the establishment of the IRF Joint Venture. During the six months ended June 30, 2025, we completed three dispositions and recognized a gain on the sale of investment properties of $1.6 million.

Equity Loss from Unconsolidated Joint Ventures

Equity Loss from Unconsolidated Joint Ventures for the six months ended June 30, 2026 was $21 thousand, compared to $91 thousand for the same period in 2025, a decrease of $70 thousand.

Net Income

Net income for the six months ended June 30, 2026 was $73.9 million, compared to net income of $4.3 million for the same period in 2025, an increase of $69.6 million.

Assets and Liabilities

As of June 30, 2026 and December 31, 2025 our principal assets consisted of investments in real estate, net, of $1.2 billion and $1.2 billion, respectively. We completed two acquisitions and seven dispositions during the six months ended June 30, 2026. Our liquid assets consisted primarily of cash and cash equivalents and restricted cash of $12.9 million and $11.9 million, as of June 30, 2026 and December 31, 2025, respectively.

The increase in our cash and cash equivalents and restricted cash balances to $12.9 million as of June 30, 2026, compared to $11.9 million as of December 31, 2025, was primarily due to net proceeds received from the sale of investment properties, and net cash provided by operating activities, partially offset by net repayments on our Credit Facility, funds used to acquire investment properties and joint ventures, the payment of dividends to common and preferred stockholders as well as holders of OP Units and LTIP Units, and funds used for capital expenditures on existing real estate investments and leasing commissions.

The decrease in our total liabilities to $687.7 million as of June 30, 2026 compared to $712.4 million as of December 31, 2025, was primarily the result of higher net repayments on our Credit Facility and lower dividends payable.

Cash Flow Information

Six Months Ended June 30, 2026 Compared to Six Months Ended June 30, 2025

	Six Months Ended June 30,		
	2026	2025	$ Change
	(in thousands)		
Cash provided by operating activities	$ 35,909	$ 34,411	$ 1,498
Cash used in investing activities	(81,714)	(66,449)	(15,265)
Cash provided by financing activities	46,836	32,322	14,514
Increase in cash and cash equivalents and restricted cash	$ 1,031	$ 284	$ 747

Net cash provided by operating activities for the six months ended June 30, 2026 was $35.9 million, compared to $34.4 million for the same period in 2025. Net cash provided by operating activities increased primarily due to the impact of our 2026 and 2025 acquisitions.

Net cash used in investing activities for the six months ended June 30, 2026 was $81.7 million, compared to $66.4 million for the same period in 2025. Net cash used in investing activities increased primarily due to higher net acquisition activity in 2026 compared to 2025.

Net cash provided by financing activities for the six months ended June 30, 2026 was $46.8 million, compared to $32.3 million for the same period in 2025. Net cash provided by financing activities increased primarily due to higher net proceeds received from preferred stock offerings. These increases were partially offset by net repayments on our Credit Facility, and lower dividends paid to common and preferred stockholders as well as holders of OP Units and LTIP Units.

Non-GAAP Financial Measures

Management considers certain non-GAAP financial measures to be useful supplemental measures of the Company's operating performance. A non-GAAP financial measure is generally defined as one that purports to measure financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable measure determined in accordance with GAAP. The Company reports non-GAAP financial measures because these measures are observed by management to also be among the most predominant measures used by the REIT industry and by industry analysts to evaluate REITs. For these reasons, management deems it appropriate to disclose and discuss these non-GAAP financial measures. Set forth below are descriptions of the non-GAAP financial measures management considers relevant to the Company's business and useful to investors, as well as reconciliations of those measures to the most directly comparable GAAP financial measure.

The non-GAAP financial measures presented herein are not necessarily identical to those presented by other real estate companies due to the fact that not all real estate companies use the same definitions. These measures should not be considered as alternatives to net income, as indicators of the Company's financial performance, or as alternatives to cash flow from operating activities as measures of the Company's liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of the Company's needs. Management believes that in order to facilitate a clear understanding of the Company's historical consolidated operating results, these measures should be examined in conjunction with net income and cash flows from operations as presented in the Condensed Consolidated Financial Statements and other financial data included elsewhere in this Report.

Funds from Operations, Core Funds from Operations, and Funds Available for Distribution

Funds from operations attributable to common stockholders and noncontrolling interest (“FFO”), and core FFO attributable to common stockholders and noncontrolling interest (“Core FFO”) and funds available for distribution attributable to common stockholders and noncontrolling interest ("FAD") are non-GAAP financial measures within the meaning of the rules of the SEC. The Company considers FFO, Core FFO, and FAD to be important supplemental measures of its operating performance and believes FFO is frequently used by securities analysts, investors, and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results.

In accordance with the National Association of Real Estate Investment Trusts' ("NAREIT") definition, FFO means net income or loss computed in accordance with GAAP before noncontrolling interests of holders of OP Units and LTIP Units, excluding gains (or losses) from sales of property and extraordinary items, property impairment losses, less preferred stock dividends, plus real estate-related depreciation and amortization (excluding amortization of debt issuance costs and the amortization of above and below market leases), and after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis. Because FFO excludes real estate-related depreciation and amortization (other than amortization of debt issuance costs and above and below market lease amortization expense), the Company believes that FFO provides a performance measure that, when compared period-over-period, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from the closest GAAP measurement, net income or loss.

Core FFO is a non-GAAP measure used by many investors and analysts to measure a real estate company's operating performance by removing the effect of items that do not reflect ongoing property operations. Management calculates Core FFO by modifying the NAREIT computation of FFO by adjusting it for certain cash and non-cash items and certain recurring and non-recurring items. For the Company these items include recurring acquisition and disposition costs, loss on the extinguishment of debt, recurring straight line deferred rental revenue, recurring stock-based compensation expense, recurring amortization of above and below market leases, recurring amortization of debt issuance costs, severance and transition related expense, costs related to our reverse stock split, and other items related to unconsolidated partnerships and joint ventures.

We calculate FAD by subtracting from Core FFO capital expenditures, including tenant improvements, leasing commissions and building capital. Management believes FAD is useful in analyzing the portion of cash flow that is available for distribution to stockholders and unitholders. Investors, analysts and the Company utilize FAD as an indicator of common dividend potential.

Management believes that reporting Core FFO in addition to FFO and FAD is a useful supplemental measure for the investment community to use when evaluating the operating performance of the Company on a comparative basis.

Table of Contents

A reconciliation of net income to FFO and Core FFO and FAD for the three and six months ended June 30, 2026 and 2025 is as follows. All per share, per share and unit, and weighted average share and unit amounts have been adjusted to reflect the impact of the Reverse Stock Split.

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
	(unaudited, in thousands except per share and unit amounts)			
Net income	**$ 72,281**	**$ 585**	**$ 73,935**	**$ 4,322**
Less: Preferred stock dividends	(2,982)	(1,455)	(5,455)	(2,911)
Depreciation and amortization expense	15,251	15,266	30,053	29,072
Depreciation and amortization expense from unconsolidated joint ventures	73	73	146	122
Gain on sale of investment properties	(71,881)	(207)	(71,881)	(1,565)
FFO attributable to common stockholders and noncontrolling interest	**$ 12,742**	**$ 14,262**	**$ 26,798**	**$ 29,040**
Amortization of above (below) market leases, net	150	(60)	296	392
Straight line deferred rental revenue	122	(479)	(82)	(536)
Stock-based compensation expense	1,378	1,728	2,607	1,879
Amortization of debt issuance costs	707	559	1,514	1,118
Severance and transition related expense	—	567	—	671
Other adjustments from unconsolidated joint ventures	2	20	(17)	51
Core FFO attributable to common stockholders and noncontrolling interest	**$ 15,101**	**$ 16,597**	**$ 31,116**	**$ 32,615**
Net income (loss) attributable to common stockholders per share – basic and diluted	**$ 4.78**	**$ (0.06)**	**$ 4.73**	**$ 0.10**
FFO attributable to common stockholders and noncontrolling interest per share and unit	**$ 0.88**	**$ 0.98**	**$ 1.85**	**$ 2.00**
Core FFO attributable to common stockholders and noncontrolling interest per share and unit	**$ 1.04**	**$ 1.14**	**$ 2.15**	**$ 2.25**
Weighted Average Shares and Units Outstanding – basic and diluted	14,485	14,530	14,450	14,501
Weighted Average Shares and Units Outstanding:				
Weighted Average Common Shares	13,235	13,376	13,235	13,375
Weighted Average OP Units	444	449	444	449
Weighted Average LTIP Units	806	705	771	677
Weighted Average Shares and Units Outstanding – basic and diluted	14,485	14,530	14,450	14,501
Core FFO attributable to common stockholders and noncontrolling interest	**$ 15,101**	**$ 16,597**	**$ 31,116**	**$ 32,615**
Tenant improvements	(762)	(878)	(1,356)	(1,582)
Leasing commissions	(367)	(558)	(917)	(673)
Building capital	(2,269)	(1,087)	(3,819)	(2,994)
FAD attributable to common stockholders and noncontrolling interest	**$ 11,703**	**$ 14,074**	**$ 25,024**	**$ 27,366**

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre) and Adjusted EBITDAre

The Company calculates EBITDA*re* in accordance with standards established by NAREIT and defines EBITDA*re* as net income or loss computed in accordance with GAAP plus depreciation and amortization, interest expense, gain or loss on the sale of investment properties, property impairment losses, and adjustments for unconsolidated partnerships and joint ventures to reflect EBITDAre on the same basis, as applicable. The Company defines Adjusted EBITDA*re* as EBITDA*re* plus loss on extinguishment of debt, non-cash stock compensation expense, non-cash intangible amortization related to above and below market leases, severance and transition related expense, expenses related to our reverse stock split, transaction expense, adjustments related to our investments in unconsolidated joint ventures, and other normalizing items. Management considers EBITDA*re* and Adjusted EBITDA*re* important measures because they provide additional information to allow management, investors, and our current and potential creditors to evaluate and compare our core operating results and our ability to service debt.

A reconciliation of net income to EBITDA*re* and Adjusted EBITDA*re* for the three and six months ended June 30, 2026 and 2025 is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(unaudited and in thousands)			
Net income	**$ 72,281**	**$ 585**	**$ 73,935**	**$ 4,322**
Interest expense	8,806	8,009	16,039	15,176
Depreciation and amortization expense	15,276	15,291	30,103	29,118
Unconsolidated joint venture EBITDA*re* adjustments [1]	112	114	223	199
Gain on sale of investment properties	(71,881)	(207)	(71,881)	(1,565)
EBITDA*re*	**$ 24,594**	**$ 23,792**	**$ 48,419**	**$ 47,250**
Stock-based compensation expense	1,378	1,728	2,607	1,879
Amortization of above (below) market leases, net	150	(60)	296	392
Severance and transition related expense	—	567	—	671
Interest rate swap mark-to-market at unconsolidated joint ventures	2	19	(17)	55
Adjusted EBITDA*re*	**$ 26,124**	**$ 26,046**	**$ 51,305**	**$ 50,247**

(1) Includes joint venture interest, depreciation and amortization, and gain on sale of investment properties, if applicable, included in unconsolidated joint ventures net income or loss.

Net Operating Income (NOI), Cash NOI, and Same-Property Cash NOI

The Company considers net operating income ("NOI") to be an appropriate supplemental measure to net income because it helps both investors and management understand the core operations of our properties. We define NOI as total net (loss) income, plus depreciation and amortization expenses, general and administrative expenses, transaction expenses, impairments, (gain) loss on sale of investment properties, interest expense, and other non-operating items. Cash NOI and Same-Property Cash NOI are key performance indicators. Management considers these to be supplemental measures that allow investors, analysts and Company management to measure unlevered property-level cash operating results. The Company defines Cash NOI as NOI excluding non-cash items such as above and below market lease intangibles and straight-line rent. Cash NOI is historical and not necessarily indicative of future results. Same-Property Cash NOI compares Cash NOI for stabilized properties. Stabilized properties are properties that have been included in operations for the duration of the year-over-year comparison period presented. Accordingly, stabilized properties exclude properties that were recently acquired or disposed of, properties classified as held for sale, properties undergoing redevelopment, and newly redeveloped or developed properties. Same-Property Cash NOI also excludes lease terminations fees and joint ventures and other income in order to remove non-recurring items and joint venture-related income from our NOI.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(unaudited and in thousands)			
Net income	**$ 72,281**	**$ 585**	**$ 73,935**	**$ 4,322**
General and administrative	5,221	6,025	10,310	9,645
Depreciation and amortization expense	15,276	15,291	30,103	29,118
Interest expense	8,806	8,009	16,039	15,176
Gain on sale of investment properties	(71,881)	(207)	(71,881)	(1,565)
Proportionate share of unconsolidated joint venture adjustments	114	133	206	253
NOI	**$ 29,817**	**$ 29,836**	**$ 58,712**	**$ 56,949**
Amortization of above (below) market leases, net	150	(60)	296	392
Straight line deferred rental revenue	122	(479)	(82)	(536)
Proportionate share of unconsolidated joint venture adjustments	(2)	(3)	(4)	(8)
Cash NOI	**$ 30,087**	**$ 29,294**	**$ 58,922**	**$ 56,797**
Assets not held for all periods	(5,025)	(5,214)		
Lease termination fees	—	(12)		
Joint ventures and other income	(948)	(157)		
Same-Property Cash NOI	**$ 24,114**	**$ 23,911**		

Liquidity and Capital Resources

General

Our short-term (up to 12 months) liquidity requirements include:

- Interest expense and scheduled principal payments on outstanding indebtedness;
- General and administrative expenses;
- Property operating expenses;
- Property acquisitions;
- Distributions on our common and preferred stock and OP Units and LTIP Units;
- Increased capital requirements for our joint ventures;
- Repurchases of our common stock; and
- Capital and tenant improvements and leasing costs.

On May 5, 2026, the Board of Directors reduced the Company's monthly common stock dividend from $0.25 per share to $0.16 per share. The Company is resizing its dividend to focus on retaining cash flow and to accelerate the Company's acquisition strategy and accelerate the ramp of its SHOP portfolio.

In 2026, we are contractually obligated to pay, or have capital commitments for, principal and interest payments on our outstanding debt and ground and operating lease expenses. In addition, if we decide to redeem our Series A Preferred Stock in full, we would have to pay the liquidation preference of $77.6 million plus accrued dividends, fees and expenses.

Our long-term (beyond 12 months) liquidity requirements consist primarily of funds necessary to pay for acquisitions, capital and tenant improvements at our properties, scheduled debt maturities, general and administrative expenses, operating expenses, common stock repurchases, and distributions. Beyond 2026, we are contractually obligated to pay, or have capital commitments for, principal and interest payments on our outstanding debt and ground and operating lease expenses.

We expect to satisfy our short and long-term liquidity needs through various internal and external sources, including cash flow from operations, debt financing, sales of additional equity securities, the issuance of OP Units in connection with acquisitions of additional properties, proceeds from select property dispositions and recapitalization transactions.

Sources of Liquidity

Our primary internal sources of liquidity include cash flow from operations and proceeds from select property dispositions and recapitalization transactions. Our primary external sources of liquidity include net proceeds received from equity issuances, including the issuance of OP Units in connection with acquisitions of additional properties, and debt financing, including borrowings under our Credit Facility, secured term loans and Senior Note Facility.

ATM Program

In January 2024, the Company and the Operating Partnership implemented a $300 million “at-the-market” equity offering program, pursuant to which we may offer and sell (including through forward sales), from time to time, shares of our common stock (the “2024 ATM Program”). No shares were sold under the 2024 ATM Program during the six months ended June 30, 2026 or from July 1, 2026 through August 3, 2026. As of June 30, 2026, the Company has $288.0 million remaining available under the 2024 ATM Program.

In February 2026, the Company and the Operating Partnership implemented a $75 million “at-the-market” equity offering program, pursuant to which the Company may offer and sell (including through forward sales), from time-to-time, shares of its 8.00% Series B Cumulative Redeemable Preferred Stock (the “2026 Series B Preferred ATM Program”). No shares were sold under the 2026 Series B Preferred ATM Program during the six months ended June 30, 2026 or from July 1, 2026 through August 3, 2026.

Debt Financing

Credit Facility. Our Credit Facility consists of (i) the $350 million Term Loan A Tranches, (ii) the $150 million Term Loan B, and (iii) the $400 million Revolver. The Credit Facility also contains a $500 million accordion feature. As of August 3, 2026, we had unutilized borrowing capacity under the Credit Facility of $245.5 million.

The Credit Facility is an unsecured facility with a maturity of (i) October 2029 for the Revolver (subject to two, six-month extension options), (ii) October 2029, October 2030, and April 2031 for the Term Loan A Tranches, and (iii) February 2028 for Term Loan B. Interest rates on amounts outstanding under the Credit Facility equal SOFR plus a borrowing spread based on the current pricing grid in the Credit Facility.

As of June 30, 2026, we had 11 interest rate swaps that are used to manage our interest rate risk. Four of our interest rate swaps relate to our Term Loan B with a combined notional value of $150 million that fix the SOFR component on Term Loan B through January 2028 at 2.54%. Seven of our interest rate swaps relate to our Term Loan A tranches that fix the SOFR component of the Term Loan A Tranches with a combined notional value of $350 million at rates between 3.24% to 3.32% and have maturities in October 2029, October 2030, and April 2031. The seven interest rate swaps related to our Term Loan A tranches became effective in May 2026 following the maturity of five previous interest rate swaps that fixed the SOFR component through April 2026 at 1.36%.

We are subject to a number of financial covenants under the Credit Facility, including, among other things, the following as of the end of each fiscal quarter, (i) a maximum consolidated unsecured leverage ratio of less than 60%, (ii) a maximum consolidated secured leverage ratio of less than 30%, (iii) a maximum consolidated secured recourse leverage ratio of less than 10%, (iv) a minimum fixed charge coverage ratio of 1.50:1.00, (v) a minimum unsecured interest coverage ratio of 1.50:1.00, (vi) a maximum consolidated leverage ratio of less than 60%, (vii) a maximum cash investment in joint ventures of 10% of total asset value and (viii) a minimum net worth of $595.6 million plus 75% of all net proceeds raised through equity offerings subsequent to June 30, 2025. As of June 30, 2026, management believed it complied with all of the financial and non-financial covenants contained in the Credit Facility.

Total Fixed Debt. Our fixed debt totaled $501.1 million on a gross basis at June 30, 2026, with a weighted average interest rate of 4.42% based on our interest rate swaps and current leverage. The weighted average maturity of our fixed debt was 3.4 years at June 30, 2026.

Other Fixed Debt. We have $1.1 million in gross notes payable as of June 30, 2026. This debt is comprised of one instrument.

Senior Note Facility

On March 2, 2026, the Company entered into a Master Note and Guaranty Agreement (the "Senior Note Agreement") with NYL Investors LLC and certain of its affiliates (collectively, the "Purchasers"). The Agreement establishes an uncommitted senior unsecured note facility pursuant to which the Company may issue senior unsecured promissory notes ("Notes") from time to time in one or more series to the Purchasers in an aggregate principal amount of up to $150.0 million. The Senior Note Agreement does not obligate the Purchasers to purchase any Notes, and each issuance is subject to the Purchasers' discretion and satisfaction of customary conditions. Notes may be issued under the Senior Note Agreement during a period ending on the earliest of (i) the third anniversary of the effective date of the Senior Note Agreement, (ii) termination of the facility by either party upon written notice, (iii) termination following certain events of default, or (iv) acceleration of the Notes and termination of the facility. Notes issued under the Agreement may have maturities of up to ten years and will bear interest at rates determined at the time of issuance based on spreads over U.S. Treasury securities. As of June 30, 2026, no Notes had been issued or were outstanding under the Senior Note Agreement.

Debt Activity

During the six months ended June 30, 2026, we borrowed $241.1 million under the Credit Facility and repaid $263.3 million, for a net amount repaid of $22.2 million. During the six months ended June 30, 2025, we borrowed $94.5 million under the Credit Facility and repaid $28.5 million, for a net amount borrowed of $66.0 million. As of June 30, 2026, the net outstanding Credit Facility balance was $641.0 million and as of August 3, 2026, we had unutilized borrowing capacity under the revolver component of the Credit Facility (the "Revolver") of $245.5 million.

Series C Convertible Preferred Stock Offering

On May 29, 2026 and June 2, 2026, the Company issued and aggregate of 1,000,000 shares of its Series C Convertible Preferred Stock, for aggregate gross proceeds of $100.0 million. The Series C Convertible Preferred Stock provides for cumulative dividends at a rate of 6.00% per annum, which increases to 8.00% on June 2, 2030 (the date that is four years after the date of last issuance) to the extent the Series C Convertible Preferred Stock has not been redeemed or converted as of that date and increases by an additional 2.00% on each subsequent anniversary thereafter, up to a maximum of 12.00%, to the extent the Series C Convertible Preferred Stock has not been redeemed or converted as of such anniversary dates. The Series C Convertible Preferred Stock is convertible into shares of the Company's common stock at an initial conversion rate of 2.32558 shares of common stock per share of Series C Convertible Preferred Stock, which is based on an implied conversion price of $43.00 per share of common stock, subject to customary anti-dilution adjustments. The Company may redeem the Series C Convertible Preferred Stock, in whole or in part, at its option on or after June 2, 2030 (the date that is four years after the date of last issuance), at a cash redemption price equal to the liquidation preference of $100 per share, plus accumulated and unpaid regular dividends, including any defaulted regular dividends. The Series C Convertible Preferred Stock generally has no voting rights, except for limited voting rights with respect to certain matters affecting its rights and preferences. In addition, upon issuance of the Series C Convertible Preferred Stock, the Company's ability to make distributions with respect to, or redeem, purchase or acquire, or make liquidation payments on, any other shares of capital stock ranking junior to or on a parity with the Series C Convertible Preferred Stock became subject to certain restrictions in the event that the Company does not declare distributions on the Series C Convertible Preferred Stock during any distribution period.

Common Stock Repurchase Program

In August 2025, the Board approved a $50 million common stock repurchase program (the "Stock Repurchase Program"). Under the Stock Repurchase Program, we may purchase up to $50 million of our outstanding shares of common stock from time to time in the open market, including through block purchases, through privately negotiated transactions or pursuant to any Rule 10b5-1 trading plan, in accordance with applicable securities laws. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions and other considerations. The Stock Repurchase Program does not obligate us to repurchase any dollar amount or number of shares of our common stock and may be suspended or discontinued at any time. No shares were repurchased during the six months ended June 30, 2026 or from July 1, 2026 through August 3, 2026.

Off-Balance Sheet Arrangements

As of June 30, 2026, we have investments in four unconsolidated joint ventures with ownership interests of 49%, 49%, 15% and 12.5%. The aggregate carrying amount of debt, including both our and our partners' share, incurred by these ventures was approximately $141.5 million (of which our proportionate share is approximately $24.1 million). See Note 2 (Summary of Significant Accounting Policies) to our accompanying condensed consolidated financial statements for additional information. We have no other off-balance sheet arrangements that we expect would materially affect our liquidity and capital resources.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. In pursuing our business and investment objectives, we expect that the primary market risk to which we will be exposed is interest rate risk.

We may be exposed to the effects of interest rate changes primarily as a result of debt used to acquire healthcare facilities, including borrowings under the Credit Facility. The analysis below presents the sensitivity of the value of our variable rate financial obligations to selected changes in market interest rates. The range of changes chosen reflects our view of changes which are reasonably possible over a one-year period.

As of June 30, 2026, we had $141.0 million of unhedged borrowings outstanding under the Revolver (before the netting of unamortized debt issuance costs) that bears interest at a variable rate. See "Management's Discussion and Analysis of Financial Condition and Results of Operation—Liquidity and Capital Resources," for a detailed discussion of our Credit Facility. On June 30, 2026, SOFR on our outstanding floating-rate borrowings was 3.65%. Assuming no increase in the amount of our variable interest rate debt, if SOFR increased 100 basis points, our cash flow would decrease by approximately $1.4 million annually. Assuming no increase in the amount of our variable rate debt, if SOFR were reduced 100 basis points, our cash flow would increase by approximately $1.4 million annually.

Our interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve our objectives, we may borrow at fixed rates or floating rates. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources of Liquidity—Debt Financing*," for a description of our interest rate swaps.

We may enter into additional derivative financial instruments, including interest rate swaps and caps, in order to mitigate our interest rate risk on our future borrowings. We will not enter into derivative transactions for speculative purposes.

In addition to changes in interest rates, the value of our investments is subject to fluctuations based on changes in local and regional economic conditions and changes in the creditworthiness of tenants/operators and borrowers, which may affect our ability to refinance our debt if necessary.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this report. Based on such evaluation, the Company's

Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2026, the Company's disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information it is required to disclose in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

No changes were made to our internal control over financial reporting during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and the Company's internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and the Company's internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

We are not involved in any pending legal proceeding or litigation and, to the best of our knowledge, no governmental authority is contemplating any proceeding to which we are a party or to which any of our properties is subject, which would reasonably be likely to have a material adverse effect on our financial condition or results of operations. From time to time, we may become involved in litigation relating to claims arising out of our operations in the normal course of business. There can be no assurance that these matters that arise in the future, individually or in the aggregate, will not have a material adverse effect on our financial condition or results of operations in any future period.

Item 1A. Risk Factors

Information on risk factors can be found in Part I, Item 1A (Risk Factors) of our 2025 Annual Report. Except as set forth below, there have been no material changes from the risk factors previously disclosed in our 2025 Annual Report. Some statements in this Quarterly Report on Form 10-Q constitute forward-looking statements. Please refer to Part I, Item 2 of this Quarterly Report on Form 10-Q entitled "Special Note Regarding Forward-Looking Statements."

Our SHOP segment may expose us to various operational risks, liabilities and claims that could adversely affect our ability to generate revenues or increase our costs and could adversely affect our business, financial condition and results of operations.

Under the REIT tax rules, the senior housing communities in our SHOP segment that are "qualified healthcare properties" generally must be operated and managed for us by third-party managers and we have limited rights to direct or influence the business or operations of those communities. Both our qualified and non-qualified healthcare properties in our SHOP segment are managed or sub-managed by third-party managers. However, in each case, we nonetheless participate directly in the financial performance of the communities' operations and are ultimately responsible for all operational risks and other liabilities of such properties, other than those arising out of certain actions by our managers, such as gross negligence, fraud or willful misconduct. These risks include, and our financial performance is impacted by, among other things, fluctuations in occupancy levels, the inability to charge desirable resident fees (including anticipated increases in those fees), increases in the cost of food, supplies, energy, labor (as a result of labor shortages, unionization, inflation or otherwise) or other services, rent control regulations, national and regional economic conditions, the imposition of new or increased taxes, capital expenditure requirements, changes in management or equity, accounting misstatements, professional and general liability claims, litigation and regulatory actions and the availability and cost of insurance. Additionally, new or smaller third-party managers may have less experience in managing these senior housing communities and may require more oversight or attention. Any one or a combination of these factors could impact the performance of our SHOP segment, which could adversely affect our business, financial condition and results of operations.

We generally hold the applicable healthcare license and enroll in applicable government healthcare programs on behalf of the properties in our SHOP segment, which subjects us to potential liability under various healthcare laws and regulations.

***Our inability to renew our management agreements with our SHOP managers and sub-managers on as favorable terms or at all, and our inability when necessary, to effectively and efficiently transition a SHOP community to a new manager or sub-manager, may have an adverse effect on our business, financial condition and results of operations*.**

We are party to management agreements with our SHOP managers and sub-managers. While our management and sub-management agreements may be renewed, either pursuant to pre-negotiated renewal rights or through negotiation, there can be no assurance that our managers or sub-managers will renew with us. Even if a manager or sub-manager renews its agreement with us, we cannot assure you that the renewals will be on favorable terms. This risk may be exacerbated if market conditions at the time of the renewal are not as favorable as they were at the time the agreement was initially entered into or if the manager or sub-manager is subject to financial or operational difficulties.

Our management and sub-management agreements provide us and our managers and sub-managers with termination rights in certain circumstances. If our management or sub-management agreements are not renewed or are otherwise terminated, we may attempt to transition those properties to one or more managers or sub-managers or reposition those properties for an alternative use. We may not be successful in identifying suitable replacements or entering into management or sub-management agreements or other arrangements with new managers or sub-managers on a timely basis or on terms as favorable to us as our current management or sub-management agreements, if at all.

During transition periods to new managers or sub-managers or in connection with repositioning the property, the attention of existing managers or sub-managers may be diverted from the performance of the properties, which could cause the financial and operational performance at those properties to decline and could increase exposure to operational and compliance risks. We may be required to fund certain expenses and obligations (such as real estate taxes, debt costs and maintenance expenses) or provide certain indemnities to preserve the value of, and avoid the imposition of liens on, our properties while they are being repositioned. Our ability to transition our properties to a suitable replacement manager or sub-manager or reposition our properties could be significantly delayed or limited by state licensing, receivership, certificates of need, Medicaid change-of-ownership rules or other legal and regulatory requirements or restrictions. The inability to replace a manager or sub-manager on a timely or successful basis could have an adverse effect on our business, financial condition and results of operations.

Significant legal or regulatory proceedings could subject us or our managers or sub-managers to increased operating costs and substantial uninsured liabilities, which could adversely affect our or their liquidity, financial condition and results of operations.

From time to time, we or our managers or sub-managers may be subject to lawsuits, investigations, claims and other legal or regulatory proceedings arising out of our or their alleged actions or inactions. Also, in certain circumstances, regardless of whether we are a named party in a lawsuit, investigation, claim or other legal or regulatory proceeding, we may be contractually obligated to indemnify, defend and hold harmless our managers, sub-managers and other third parties against, or may otherwise be responsible for such actions, proceedings or claims. These claims may include, among other things, professional liability and general liability claims, commercial liability claims, unfair business practices claims, class action claims, employment-related claims, as well as regulatory proceedings, including proceedings related to our SHOP segment, where we are typically the holder of the applicable healthcare license. In addition, some of our properties may be in states in which the litigation environment may pose a significant business risk to us.

In our operating assets, we will be generally responsible for all liabilities of the properties, including any lawsuits, investigations, claims and other legal or regulatory proceedings, other than those arising out of certain limited actions by our managers or sub-managers, such as those caused by gross negligence, fraud or willful misconduct. As a result, we have exposure to, among other things, professional and general liability claims, employment-related claims and the associated litigation and other costs related to defending and resolving such claims, some of which may be uninsured, either as a result of insufficient coverage or unavailability of coverage at a reasonable price.

If one of our managers or sub-managers fails to comply with applicable law or regulation, we may be held responsible, which could subject us to civil, criminal and administrative penalties, including the loss or suspension of accreditation, licenses or certificates of need with respect to a single community or more broadly; suspension of or nonpayment for new admissions; denial of reimbursement; fines; suspension, decertification, or exclusion from federal, state or foreign healthcare programs; or facility closure. In addition, we cannot assure you that any contractual obligations to indemnify, defend and hold us harmless from such liabilities will be satisfied by third parties, or that any amounts held in escrow for such purpose will be sufficient.

An unfavorable resolution of any such lawsuit, investigation, claim or other legal or regulatory proceeding could materially and adversely affect our or our managers' or sub-managers' liquidity, financial condition and results of operations, and may not be protected by sufficient or any insurance coverage. Even with a favorable resolution of litigation or a proceeding, the effect of litigation and other potential litigation and proceedings may divert the attention of management and materially increase operating costs we or our managers or sub-managers incur. Negative publicity with respect to any lawsuits, claims or other legal or regulatory proceedings may also negatively impact their or our or the affected properties' reputation.

Our business may be subject to lawsuits or other legal or regulatory proceedings such as professional or general liability litigation alleging wrongful death and negligence claims, some of which may result in large damage awards and not be indemnified or subject to sufficient insurance coverage, may require our support as a result of our indemnification agreements or may result in restrictions in the operations of our or our managers' or sub-managers' business.

Events that adversely affect the ability of seniors and their families to afford resident fees at our seniors housing facilities could cause our occupancy rates, revenues and results of operations to decline.

Costs to seniors associated with independent, assisted living and memory care services are generally not reimbursable under government reimbursement programs such as Medicare and Medicaid. Only seniors with sufficient income or assets or other resources will be able to afford to pay the monthly resident fees, and a weak economy, depressed housing market or changes in demographics could adversely affect their continued ability to do so. If our managers or sub-managers are unable to retain and attract seniors with sufficient income, assets or other resources required to pay the fees associated with independent and assisted living services, our occupancy rates and revenues could decline, which could, in turn, materially adversely affect our business, results of operations and financial condition.

Our ability to lease certain of our seniors housing facilities to our TRS lessee will be limited by the ability of those seniors housing facilities to qualify as "qualified healthcare properties."

We lease certain of our seniors housing facilities to our TRS lessee, which contracts with managers to manage the healthcare operations at those facilities. Our ability to use this TRS lessee structure may be limited by the ability of those seniors housing facilities to qualify as "qualified healthcare properties" and the ability of the managers who our TRS lessee engages to manage the "qualified healthcare properties" to qualify as "eligible independent contractors."

A "qualified healthcare property" includes any real property and any personal property that is, or is necessary or incidental to the use of, a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility or other licensed facility which extends medical or nursing or ancillary services to patients and which is operated by a provider of such services which is eligible for participation in the Medicare program with respect to such facilities. Some of our properties may not be treated as "qualified healthcare properties." To the extent a property does not constitute a "qualified healthcare property," we will be unable to use the TRS lessee structure with respect to that property.

If our TRS lessee failed to qualify as a TRS or the facility managers engaged by our TRS lessee do not qualify as "eligible independent contractors," we could fail to qualify as a REIT and could be subject to higher taxes.

Rent paid by a lessee that is a "related party tenant" of ours will not be qualifying income for purposes of the two gross income tests applicable to REITs. We lease certain of our seniors housing facilities that qualify as "qualified healthcare properties" to our TRS lessee. So long as our TRS lessee qualifies as a TRS, it will not be treated as a "related party tenant" with respect to our "qualified healthcare properties" that are managed by an independent facility manager that qualifies as an "eligible independent contractor." We expect that our TRS lessee will qualify to be treated as a TRS for U.S. federal income tax purposes, but there can be no assurance that the IRS will not challenge the status of our TRS lessee for U.S. federal income tax purposes or that a court would not sustain such a challenge. If the IRS were successful in disqualifying our TRS lessee from treatment as a TRS, we could fail to meet the asset tests applicable to REITs and we could fail to satisfy the gross income tests. If we failed to meet either the asset or gross income tests, we could lose our REIT qualification for U.S. federal income tax purposes unless we qualified for application of statutory savings provisions.

Additionally, if the managers engaged by our TRS lessee do not qualify as "eligible independent contractors," we could fail to qualify as a REIT. Each of the managers that enter into a management contract with our TRS lessee must qualify as an "eligible independent contractor" under the REIT rules in order for the rent paid to us by our TRS lessee to be qualifying income for purposes of the REIT gross income tests. Among other requirements, in order to qualify as an eligible independent contractor, a manager must not own, directly or indirectly, more than 35% of our outstanding stock and no person or group of persons can own more than 35% of our outstanding stock and the ownership interests of the manager, taking into account certain ownership attribution rules. The ownership attribution rules that apply for purposes of these 35% thresholds are complex. Although we intend to monitor ownership of our stock by our managers and their owners, there can be no assurance that these ownership levels will not be exceeded.

In addition, in order to qualify as an “eligible independent contractor,” among other requirements, a manager (or a related person) must be actively engaged in the trade or business of operating “qualified healthcare properties” for persons who are not related to us or our TRS lessee. Consequently, if a manager (or a related person) with respect to a “qualified healthcare property” of ours does not operate sufficient “qualified healthcare properties” for third parties, the manager will not qualify as an “eligible independent contractor.”

The ability of our TRSs to manage certain of our independent living facilities will be dependent on such facilities not constituting “qualified healthcare properties.”

We engage TRSs to manage certain of our independent living facilities. Our ability to utilize TRSs in such a role depends on those independent living facilities not constituting “qualified healthcare properties” within the meaning of the U.S. federal income tax rules applicable to REITs. While we believe that such independent living facilities are not “qualified healthcare properties,” if the IRS challenged such belief and a court sustained such a challenge, our income from the properties could fail to qualify as rents from real property for purposes of the REIT gross income tests, and as a result we could fail to qualify as a REIT.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sales of Unregistered Securities

On May 29, 2026 and June 2, 2026, the Company completed closings of its previously announced private placement pursuant to which it issued and sold an aggregate of 1,000,000 shares of its 6.00% Series C Convertible Preferred Stock, par value $0.001 per share, at a purchase price of $100.00 per share for aggregate gross proceeds of $100.0 million, to Maewyn XRN LP, Petrus Special Opportunities Fund, L.P., certain entities advised by Canyon Capital Advisors LLC and certain entities advised by Diameter Capital Partners LP (the “Purchasers”), pursuant to that certain Investment Agreement, dated as of May 6, 2026, by and among the Company and the Purchasers.

The offer and sale of the shares of Series C Convertible Preferred Stock were not registered under the Securities Act of 1933, as amended (the “Securities Act”), and were made in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder. The Company relied on these exemptions from registration based in part on the nature of the transaction and the representations made by the Purchasers in the Investment Agreement.

Upon completion of the private placement, the Company received net proceeds of approximately $96.8 million, after deducting a commitment fee of $3.0 million and reimbursable expenses of approximately $0.2 million. The Company contributed the proceeds received from the sale of the Series C Convertible Preferred Stock to the Operating Partnership in exchange for the issuance of 1,000,000 Series C Convertible Preferred Units. The Company used the net proceeds from the private placement, together with cash on hand and borrowings under its Credit Facility, to fund the acquisitions of the Landing and the Riviera.

Holders of the Series C Convertible Preferred Stock have the option to convert their shares into shares of the Company’s common stock at any time at the then-effective conversion rate (the “Conversion Rate”). The initial Conversion Rate of the Series C Convertible Preferred Stock is 2.32558 shares of common stock, based on an implied conversion price of $43.00 per share of common stock. Beginning on June 2, 2029, the Company has the option to convert the Series C Convertible Preferred Stock to common stock if the volume-weighted average price of its common stock exceeds 120.0% of the conversion price for 45 consecutive trading days.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

(a) **Exhibits**

Exhibit No.	**Description**
3.1	Articles of Restatement of Chiron Real Estate Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q as filed with the SEC on August 8, 2018).
3.2	Articles of Amendment of Chiron Real Estate Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on September 19, 2025).
3.3	Articles Supplementary for Chiron Real Estate Inc. 8.00% Series B Cumulative Redeemable Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on November 18, 2025).
3.4	Articles of Amendment of Chiron Real Estate Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on February 25, 2026).
3.5	Articles Supplementary, classifying and designating 3,000,000 additional shares of Series B Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on March 13, 2026).
3.6	Articles Supplementary for Chiron Real Estate Inc. 6.00% Series C Convertible Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on June 2, 2026).
3.7	Fifth Amended and Restated Bylaws of Chiron Real Estate Inc., effective as of February 23, 2026 (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K as filed with the SEC on February 25, 2026).
4.1	Specimen of Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-11/A as filed with the SEC on June 15, 2016).
4.2	Specimen of 7.50% Series A Cumulative Redeemable Preferred Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K as filed with the SEC on September 14, 2017).
4.3	Specimen of 8.00% Series B Cumulative Redeemable Preferred Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K as filed with the SEC on November 18, 2025).
10.1	Seventh Amendment to Agreement of Limited Partnership of Chiron Real Estate LP, dated as of May 28, 2026 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the SEC on June 2, 2026).
10.2*	Asset Purchase Agreement, by and between XRN Alexandria I LLC and Silverstone Alexandria II Owner, LLC, dated as of May 1, 2026.
10.3*	First Amendment to Asset Purchase Agreement, by and between XRN Alexandria I LLC and Silverstone Alexandria II Owner, LLC, dated as of May 29, 2026.
10.4*	Purchase and Sale Agreement, by and among XRN Alexandria II LLC, Silverstone Alexandria, LP and Silverstone Alexandria Owner, LLC, dated as of May 1, 2026.
10.5*	PSA Side Letter Agreement, by and between SSL Investment Partners, L.P., and XRN Alexandria II LLC, dated as of May 1, 2026.

10.6*	First Amendment to Purchase and Sale Agreement, by and among XRN Alexandria I LLC, Silverstone Alexandria, LP and Silverstone Alexandria Owner, LLC, dated as of May 29, 2026.
10.7*	Asset Purchase Agreement, by and among XRN Bethesda, LLC and Silverstone Bethesda Owner, LLC, dated as of May 6, 2026.
10.8*	First Amendment to Asset Purchase Agreement, by and between XRN Bethesda, LLC and Silverstone Bethesda Owner, LLC, dated as of June 22, 2026.
10.9	Investment Agreement, dated as of May 6, 2026, by and among Chiron Real Estate Inc. and Maewyn XRN LP (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the SEC on May 8, 2026).
10.10	Investor Rights Agreement, dated as of May 6, 2026, by and among Chiron Real Estate Inc. and Maewyn XRN LP (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the SEC on May 8, 2026).
10.11	Amendment No. 1 to the Investor Rights Agreement, dated as of May 28, 2026, by and among Chiron Real Estate Inc. and Maewyn XRN LP (incorporated herein by reference to Exhibit 4.12 to the Company's Registration Statement on Form S-3 (File No. 333-296829) as filed with the SEC on June 16, 2026).
10.12	Chiron Real Estate Inc. 2016 Equity Incentive Plan (as amended through May 20, 2026) (incorporated herein by reference to Exhibit 4.5 to the Company's Registration Statement on Form S-8 (File No. 333-297159) as filed with the SEC on June 30, 2026).
10.13	Agreement of Purchase and Sale, dated as of June 26, 2026, by and among certain subsidiaries of Chiron Real Estate Inc., as sellers, the buyers party thereto, and Chiron Real Estate LP, solely for the limited purposes set forth therein (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the SEC on July 2, 2026).
31.1*	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial and Accounting Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer and Principal Financial and Accounting Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS *	Inline XBRL Instance Document
101.SCH *	Inline XBRL Taxonomy Schema
101.CAL *	Inline XBRL Taxonomy Calculation Linkbase
101.DEF *	Inline XBRL Taxonomy Definition Linkbase
101.LAB *	Inline XBRL Taxonomy Label Linkbase
101.PRE *	Inline XBRL Taxonomy Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith. Such certification shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Chiron Real Estate Inc.

Date: August 10, 2026	By:	/s/ *Mark O. Decker, Jr.* Mark O. Decker, Jr. Chief Executive Officer (Principal Executive Officer)
Date: August 10, 2026	By:	/s/ *Robert J. Kiernan* Robert J. Kiernan Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 10.2

Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K because they do not contain information material to an investment or voting decision and such information is not otherwise disclosed in this agreement or the related filing. Certain personally identifiable or other private information has also been omitted from the filed version of this agreement. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

ASSET PURCHASE AGREEMENT

BY

AND

BETWEEN

XRN ALEXANDRIA I LLC,

A DELAWARE LIMITED LIABILITY COMPANY,

AS “PURCHASER”,

AND

SILVERSTONE ALEXANDRIA II OWNER, LLC

A DELAWARE LIMITED LIABILITY COMPANY,

AS “SELLER”

Dated: May 1, 2026

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of this 1st day of May, 2026 (the "Effective Date"), is made and entered into by and between **XRN ALEXANDRIA I LLC**, a Delaware limited liability company ("Purchaser"), and **SILVERSTONE ALEXANDRIA II OWNER, LLC**, a Delaware limited liability company ("Seller").

RECITALS:

A. WHEREAS, Seller owns that certain independent living facility known as "The Riviera Alexandria", together with the real property, the improvements and all appurtenances thereto (the "Community", which defined term shall include all of the Assets (defined below) applicable to the Community). The Community is located at 2700 Main Line Blvd., Alexandria, VA 22301.

B. WHEREAS, the parties desire to enter into this Agreement pursuant to which Purchaser will purchase, accept and assume from Seller, and Seller will sell, convey, transfer and assign to Purchaser, the following (collectively, the "Assets"):

(i) Seller's right, title and interest in and to the parcel(s) of real property on which the Community is located (including certain adjacent, undeveloped land), such real property being more particularly described on Exhibit A (the "Land");

(ii) Seller's right, title and interest in and to all buildings, structures, facilities, amenities, driveways, walkways, parking lots and other improvements located on the Real Property (collectively, the "Improvements");

(iii) all right, title and interest of Seller, without warranty, in and to any alleys, strips or gores adjoining the Land, any easements, rights of way or other interests in, on, under or to, any land, highway, street, road or right of way, open or proposed, in, under, across, abutting or benefiting the Land, and, to the extent assignable, any pending or future action for condemnation, eminent domain or similar proceeding, or for any damage to the Land by reason of a change of grade thereof, if any, and all other accessions, appurtenant rights and privileges of Seller in and to the Land and the Improvements (collectively, the "Appurtenances" and, together with the Land and the Improvements, collectively, the "Real Property"). Without limiting the foregoing, the Real Property will be in the form of a condominium unit ("Unit No. 3") pursuant to the Condo Dec (as defined below). Without limiting the generality of the foregoing, the Real Property will include "common elements" that are appurtenant to Unit No. 3 pursuant to the Condo Dec, including, without limitation, rights and obligations with respect to the "limited common elements" appurtenant to Unit No. 3, including, but not limited to, twenty-three (23) limited common element parking spaces in the shared parking garage;

(iv) to the extent not otherwise covered as part of the common elements conveyed as part of Unit No. 3, all of Seller's right, title and interest in the furniture, fixtures, furnishings, equipment, computers, machinery, mechanical systems, security and alarm systems, or equipment owned by Seller and presently located at the Community or used in connection therewith, including such fixtures and equipment that are subject to any Assumed Equipment Leases (defined below) (collectively, the "FF&E");

(v) to the extent assignable and without warranty, all Assumed Equipment Leases and Assumed Contracts (each as defined below);

(vi) all Residency Agreements (as defined below);

(vii) to the extent Seller's interest is assignable without violating any and all applicable laws, rules, regulations, statutes, ordinances or requirements of, or any and all judgments, decrees, writs, injunctions or orders of, any federal, state, local/municipal, foreign or other governmental or regulatory authority (individually, a "Governmental Authority" and collectively, "Governmental Authorities") in effect as of the date hereof, or as enacted or amended from time to time after the Effective Date (collectively, "Applicable Laws"), and only to the extent Purchaser in its sole discretion elects to assume the same, all Licenses (defined below) relating to or used in connection with the Community or the operation thereof;

(viii) all right, title and interest of Seller in and to the following: any trademarks, trade names, service marks, trade dress and all variations thereof, including without limitation the name "The Riviera Alexandria", or any variations thereof; all telephone and facsimile numbers relating to the Community (including all "800" numbers); all post office box addresses associated with the Community; all websites, social media accounts, domain names, websites, e-mail addresses, software or other computer programs used in connection with the operation of the Community; all security deposits posted with respect to any Assumed Contracts and Assumed Equipment Leases; and all security deposits, prepaid rent or fees, reservation deposits, move-in fees, pet or cleaning deposits and other prepaid items and deposits related to the Community or the operation thereof, including without limitation the Residency Agreements;

(ix) all books, data and records (including Word files, Excel files, Power Point files and other electronic versions thereof) related to the operation of the Community, including emails, financial and accounting records, contacts, calendars, CRM, referral source lists, regulatory surveys and reports, incident tracking reports, advertising and marketing materials and competitive analyses, all policy and procedure manuals, all records and reports (except for such records and reports where transfer is prohibited by Applicable Laws) relating to any or all residents residing at the Community from time to time on or after the Effective Date (collectively, "Residents") (all of the foregoing, collectively, "Resident Records"), all leads regarding prospective residents, all blueprints, construction and architects' plans and drawings, all engineering data and reports, and all bonds and warranties that relate to the construction or renovation of the Improvements or the condition thereof (collectively, "Books and Records"); and

(x) all right, title and interest of Seller, to the extent assignable and without warranty, in any and all other items of tangible and intangible property used in connection with the ownership, use, operation and maintenance of the Real Property or the Community, excluding any cash, cash equivalents, securities or bank accounts (collectively, together with the FF&E and the items described in clauses (vii), (viii), (ix) and (x) above, the "Personal Property"), and all goodwill of Seller associated with the business operated at the Community (collectively, the "Business").

NOW, THEREFORE, in consideration of the recitals, and of the mutual agreements, representations, warranties, conditions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I.
PURCHASE AND SALE

1.1 Transfer of Assets. For and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are herein acknowledged, and subject to the terms and conditions herein provided, Seller shall convey, transfer and assign the Assets to Purchaser, and Purchaser shall purchase, accept and assume the Assets from Seller.

1.2 Closing.

(a) Unless this Agreement shall have been terminated pursuant to an express right to terminate as herein provided, the closing hereunder (the "Closing") shall occur on June 1, 2026, or such earlier date as mutually agreed upon by the parties. The date that Closing actually occurs shall be referred to herein as the "Closing Date". Notwithstanding the foregoing, Purchaser shall have the right to extend the Closing Date to any Business Day prior to or on July 1, 2026 by (i) delivering written notice to Seller no later than May 15, 2026 (the "June Closing Extension Notice"), and (ii) by depositing an additional One Million Four Hundred Thousand and No/100 Dollars ($1,400,000.00) with Escrow Agent (as defined below) (the "June Purchase Price Increase") simultaneously with its delivery of the June Closing Extension Notice. Purchaser shall have the right to further extend the Closing Date to any Business Day prior to or on August 1, 2026 by (i) delivering written notice to Seller no later than June 15, 2026 (the "July Closing Extension Notice"), and (ii) by depositing an additional Nine Hundred Thousand and No/100 Dollars ($900,000.00) with Escrow Agent (as defined below) (the "July Purchase Price Increase" and together with the June Purchase Price Increase, the "Purchase Price Increase") simultaneously with its delivery of the July Closing Extension Notice. In any event, under no circumstances shall the Closing Date occur later than August 1, 2026 (the "Outside Closing Date"). The Purchase Price Increase (i) shall become non-refundable to Purchaser immediately upon deposit, (ii) shall be promptly released to Seller without any further action or approval by Purchaser, and (iii) shall not apply as a credit against the base Purchase Price payable at Closing. The Closing Date will be effective for accounting purposes as of 12:00:01 a.m. on the Closing Date such that the Closing Date will be a day of income and expense to Purchaser. The parties acknowledge that it is mutually advantageous for the Closing Date to occur on the first (1^{st}) day of the given month of Closing and agree to use good faith efforts to cause the Closing Date to occur on the first (1^{st}) day of such month.

(b) On the Closing Date, all documents and other materials required from Seller under Section 10.1(b) (collectively, the "Seller Documents") and from Purchaser under Section 11.1(c) (collectively, the "Purchaser Documents") in order to effectuate the consummation of the Closing shall be delivered to the offices of Title Company (defined below).

1.3 Purchase Price. The aggregate purchase price for the Assets (the "Purchase Price") shall be One Hundred Eighteen Million Nine Hundred Thousand and No/100 Dollars

($118,900,000.00), plus any Purchase Price Increase, subject to the prorations and further adjustments as provided for in this Agreement.

1.4 Deposit. Within two (2) Business Days after the Effective Date, Purchaser shall deliver to Title Company, as escrow agent ("Escrow Agent") an earnest money deposit in the amount of One Million One Hundred Eighty-Nine Thousand and No/100 ($1,189,000.00) (the "Initial Deposit"). Within two (2) Business Days after the expiration of the Due Diligence Period (defined below), Purchaser shall deliver to Escrow Agent an additional earnest money deposit in the amount of Two Million Three Hundred Seventy Eight Thousand and No/100 ($2,378,000.00) (the "Additional Deposit" and, together with the Initial Deposit and all interest accrued on any of the foregoing, collectively, the "Deposit"). Escrow Agent shall hold the Deposit in one or more interest bearing accounts mutually acceptable to Seller and Purchaser.

(a) At Closing, the Deposit shall be disbursed by Escrow Agent to Seller and applied against the Purchase Price payable at Closing and Purchaser shall receive a credit therefor.

(b) The Deposit shall be held pursuant to a strict joint order escrow account; provided, however, that prior to Purchaser's waiver of the Due Diligence Period, Escrow Agent shall hold or disburse the Deposit upon the sole order of Purchaser.

1.5 Payment of Purchase Price. At Closing, Purchaser shall pay the Purchase Price, adjusted for any prorations, credits and additions for the benefit of Purchaser or Seller as specified in this Agreement, less the Deposit, by wire transfer of immediately available federal funds to Escrow Agent.

1.6 Assumed Liabilities. At Closing, Purchaser shall not assume any liabilities or obligations of Seller whatsoever, fixed or contingent, other than liabilities and obligations assumed by Purchaser at Closing pursuant hereto with respect to the following only, and then only to the extent such obligations and liabilities relate to periods after Closing: (a) the Assumed Equipment Leases, if any, and (b) the Assumed Contracts, if any. The Assumed Equipment Leases and the Assumed Contracts, if any, are sometimes hereinafter collectively referred to as the "Assumed Liabilities". Seller shall retain and discharge in the ordinary course, but in no event later than the Closing Date, all liabilities and obligations of Seller other than the Assumed Liabilities. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, nothing in this Section 1.6 shall be deemed to limit, modify or otherwise affect the provisions of Section 13.15 (As Is), and Seller shall have no liability or obligation to Purchaser or any Purchaser Indemnified Party (defined below) for any claims, losses, damages, costs, expenses, liabilities or obligations of any kind (including claims by third parties) arising out of or relating to the physical condition of the Real Property, the Personal Property, the Community or the Assets, whether such claims arise before, on or after the Closing Date and regardless of whether the events, circumstances or conditions giving rise to such claims occurred or existed prior to the Closing.

1.7 Allocation of Purchase Price. Seller and Purchaser shall cooperate prior to Closing in order to attempt to reach mutual agreement on a reasonable allocation of the Purchase Price among the components of the Assets. If Purchaser and Seller fail to reach agreement on such allocation, such failure to agree shall not constitute a default of either party hereunder, no allocation of the Purchase Price shall occur on the Closing Statement (defined below), and each of

Seller and Purchaser shall be free to allocate the Purchase Price after Closing for all purposes as each shall desire; provided, however, that if Seller and Purchaser do not agree on such allocation by the close of business on the second Business Day before Closing, then the Closing Documents shall reflect the allocation proposed by Purchaser.

1.8 Due Diligence Period. Seller has provided Purchaser with copies of the due diligence documents associated with the Assets (the "Due Diligence Items") prior to the Effective Date. For the period commencing on April 14, 2026 and continuing for forty-five (45) days (such period, the "Due Diligence Period"), and continuing thereafter until Closing, Purchaser shall have the right, at Purchaser's sole cost and expense, to access the Real Property at reasonable times as agreed between Seller and Purchaser in advance to conduct such non-invasive due diligence, surveys, inspections, examinations, environmental inspections, tests and other studies (collectively, the "Studies") as Purchaser shall determine to be reasonably necessary or appropriate with respect to the Assets and the condition thereof and the operations of the Community, including review at the Community of all Books and Records; provided, however, that Purchaser shall not conduct any invasive testing, including Phase II environmental testing, without Seller's prior written consent in its sole discretion, provided, however, such consent shall not be required if such Phase II environmental testing is recommended by the related Phase I environmental report so long as Purchaser complies with the following requirements: (i) Seller shall have the right to have a representative of Seller present for any such tests and Purchaser shall give Seller written notice at least two (2) Business Days in advance; (ii) Purchaser shall be responsible for the repair of any damage to the area in which the Phase II was conducted in a manner reasonably acceptable to Seller and upon completion of any test by Purchaser, Purchaser shall promptly return the Assets to substantially the same condition it was in prior to said test; (iii) unless required by court order or otherwise mandatory under applicable law, Purchaser shall not disclose the results of any such tests to any third parties, except for potential investors and lenders and those consultants and attorneys utilized by Purchaser in evaluating whether to proceed with the acquisition of the Assets, and only upon the condition that those third parties be instructed to keep the test results confidential; provided, however, Seller shall have the right, but not obligation to take companion samples simultaneously; and (iv) Purchaser shall use commercially reasonable efforts to ensure that any tests and/or inspections conducted by Purchaser hereunder do not unreasonably interfere with any occupants of the Community. Purchaser shall indemnify, defend and hold harmless the Seller Indemnified Parties (as defined below) from and against any and all costs, liability, damage, expense, or cause of action that the Seller Indemnified Parties may suffer or incur as a result of Purchaser's Phase II testing of the Assets; provided, however, such indemnity shall not include matters merely discovered by Purchaser (to the extent not exacerbated by Purchaser or Purchaser's representatives except in the ordinary course of the performance of such test). At Seller's request, Purchaser shall provide Seller with copies of the Phase II or any such reports to which Seller consents as provided above. Purchaser shall provide Seller with at least two (2) Business Days advance written notice of Purchaser's intent to communicate with Governmental Authorities in connection with any due diligence of the Assets (other than communication required to obtain customary information to be included in a zoning report of the Community) for Seller's reasonable approval and Seller shall have the right to participate in any such communication if Seller desires. Purchaser shall not cause any lien or claim of lien or other adverse claim to exist as against the Real Property. Purchaser shall provide Seller with at least two (2) Business Days' advance notice before entering onto the Real Property (which notice shall be via email sent to Matt Aubé at maube@silverstonehc.com, Bobby Zeiller at bzeiller@silverstonehc.com, and Kim Trapani at ktrapani@jw.com and shall specify the Studies which Purchaser intends to perform), and in each case, Seller's representative(s) shall have the right to accompany Purchaser and/or Purchaser's representatives while Purchaser and/or Purchaser's representatives are on such Real Property. If either party terminates this Agreement, Purchaser shall provide Seller copies of any Studies obtained by Purchaser and shall promptly delete and/or return all Due Diligence Items provided by Seller. Purchaser shall maintain, or cause to be maintained, and shall require that its contractors maintain, or cause to be maintained, Commercial General Liability insurance covering any accident arising in connection with their presence and activities on the Real Property, including, without limitation, products and completed operations coverage, premises liability, personal injury $1,000,000 per occurrence Bodily Injury and Property Damage, $2,000,000 annual aggregate (it is agreed such limits may be provided by a combination of primary and excess policies). Evidence of the above insurance polic(ies) must be provided in the form of a certificate of insurance prior to Purchaser or Purchaser's representatives accessing the Real Property. Such insurance polic(ies) shall be maintained in force during the term of this Agreement. In the event that Purchaser receives any notice from an insurance provider of policy cancellation, Purchaser shall promptly notify Seller of the same and Seller shall have the right to terminate this Agreement or Purchaser's access to the Real Property. In addition to the other obligations of Purchaser as set forth in this Agreement, in conducting any Studies of the Real Property, Purchaser and Purchaser's representatives shall: (a) use commercially reasonable efforts to minimize disturbance to Residents (defined below), Seller and Manager and not unreasonably interfere with the use, operation or maintenance of the Real Property or the Community, (b) not damage any part of the Real Property, the Community or any personal property owned or held by any Resident, Manager or any third party and promptly repair any damage to the Real Property resulting from such Studies; (c) not injure or otherwise cause bodily harm to Seller, Manager or their agents, guests, invitees, contractors, and employees or any Residents or their guests or invitees; (d) comply with all Applicable Laws; and (e) not communicate with Manager or any Resident about the Assets or the transaction, except as expressly permitted herein, without Seller's prior written consent, which consent may be given or withheld in Seller's sole discretion, and Seller shall have the opportunity to participate in such communication if Seller desires.

1.9 Unless Purchaser delivers written notice to Seller and Escrow Agent prior to 5:00 p.m. Eastern time on the last day of the Due Diligence Period that Purchaser is electing to go forward with the acquisition of the Assets (the "Notice to Proceed"), then this Agreement shall be deemed automatically terminated, in which event, so long as Purchaser is not in default under this Agreement, Purchaser shall promptly receive a return of the Deposit from Escrow Agent and the parties shall thereafter be released from all further duties and obligations under this Agreement except those that expressly survive termination of this Agreement. In the event that Purchaser timely delivers the Notice to Proceed, Purchaser shall be deemed to have waived its ability to terminate Agreement pursuant to this paragraph and, except as otherwise expressly set forth in this Agreement, the Deposit shall be non-refundable but applicable to the Purchase Price.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Purchaser to enter into this Agreement and to consummate the transactions contemplated herein, as of the Effective Date, Seller represents, warrants and covenants the following to Purchaser:

2.1 Organization and Qualification. Seller is a duly organized limited liability company, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in Virginia, with full power and authority to own assets and to carry on its business as currently being conducted and to own and operate the Assets as and in the place now owned and operated.

2.2 Authority; Binding Effect.

(a) Seller has, and at Closing will have, the full and unrestricted right and limited liability company power and authority to execute, deliver and perform this Agreement and to consummate the transactions and perform all obligations contemplated hereby and in all agreements, instruments and documents being or to be executed and delivered by Seller in connection with such transactions, including, without limitation, the Seller Documents.

(b) This Agreement and each Seller Document, upon due execution and delivery by Seller, will constitute the legal, valid and binding obligation of Seller, each enforceable in accordance with its respective terms.

(c) Seller has obtained all required limited liability company consents and approvals required for the execution and consummation of this Agreement, the Seller Documents and all transactions contemplated hereby and thereby.

2.3 Approvals. To Seller's Knowledge after due inquiry with Manager, Schedule 2.3 sets forth all permits, licenses, certifications, enrollments, accreditations, exemptions, variances and other authorizations issued to Seller in connection with the ownership, maintenance and operation of the Community (collectively, the "Licenses"). To Seller's Knowledge, the Licenses are valid, effective, and in good standing, and to Seller's Knowledge, Seller and Manager (as defined below), have not received written notice that Seller or the Community are in violation of any restriction or other Applicable Laws in connection with the Licenses. Seller is the holder of all of the Licenses and there is no other person or entity who operates, manages or leases the Community, other than (i) GMSC Alexandria LLC, a Texas limited liability company, as manager ("Manager"), and (ii) Residents pursuant to Residency Agreements. With respect to the Community's ABC Retail liquor license, Seller has applied for such license from the Virginia Alcoholic Beverage Control Authority and upon issuance of the liquor license, will be the holder of such license.

2.4 Contracts.

(a) To Seller's Knowledge after due inquiry with Manager, Schedule 2.4(a) attached hereto includes a true, complete, and correct list as of the Effective Date of all outstanding written contracts or agreements relating to the Assets, including any payor agreements or other agreements relating to the Business, excluding only (i) the Residency Agreements and (ii) the Equipment Leases (such contracts and agreements expressly excluding (i) - (ii), collectively, the "Contracts") and Seller has provided or will provide to Purchaser copies of each such Contract. To Seller's Knowledge after due inquiry with Manager, Seller has not received or sent written notice of any default under the terms of any Contracts, and each Contract is in full force and effect and is valid and enforceable by Seller in accordance with its terms. Seller shall promptly send copies of any new contracts entered into between the Effective Date and the Closing Date.

(b) Included on Schedule 2.4(b) is a specimen residency or occupancy agreement for the Community and the rent roll dated as of May 1, 2026 for the Community, setting forth the names of Residents pursuant to all residency or occupancy agreements in effect as the date of such rent roll, the unit occupied by such Resident, and to Seller's Knowledge after due inquiry with Manager, the current amounts payable under such residency or occupancy agreements, any outstanding or unapplied free rent or other concessions, and other relevant information. Except as set forth on Schedule 2.4(b), all such residency or occupancy agreements in effect with Residents are hereinafter collectively the "Residency Agreements." True, correct and complete copies of all Residency Agreements are located at the Community and access to all Residency Agreements has been provided by Seller to Purchaser as part of Purchaser's due diligence review. Purchaser shall assume all Residency Agreements in effect as of the Closing Date with the Residents of the Community.

2.5 Title to Assets and Related Matters.

(a) To Seller's Knowledge, Seller has received no written notice of any, and to Seller's Knowledge there are no, pending rezoning or other pending land use actions affecting the Assets. To Seller's Knowledge, Seller has received no written notice of any, and to Seller's Knowledge there are no, threatened or contemplated rezoning or other land use actions affecting or which will affect the Assets.

(b) To Seller's Knowledge, Seller has not received written notice of any, and to Seller's Knowledge there are no, condemnation or eminent domain proceedings pending or threatened against the Assets or any part thereof.

(c) To Seller's Knowledge, there are no outstanding options or rights of first refusal to purchase the Assets or any portion thereof or interest therein, other than the options to purchase running in favor of Seller, if any, set forth in the Assumed Equipment Leases.

2.6 [Intentionally Omitted].

2.7 Equipment Leases. To Seller's Knowledge, Schedule 2.7 attached hereto contains a true, complete and correct list of all machinery, equipment and other tangible property leased to Seller which are used at or relate to the Community (collectively, the "Equipment Leases"). Prior to the Effective Date, Seller has provided to Purchaser copies of all such Equipment Leases. To Seller's Knowledge, as of the Effective Date only, Seller has not sent nor received written notice that there exists any occurrence, event, condition or act which, upon the giving of notice or lapse of time or both, would become a default by Seller (or, to Seller's Knowledge, any other party thereunder) under any such Equipment Lease.

2.8 [Intentionally Omitted].

2.9 Patriot Act. Seller is in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order"), and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"). Neither Seller nor, to Seller's Knowledge, any of its affiliates (a) is listed on the Specially Designated Nationals and Blocked Person List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"), (b) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by (including, without limitation, by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other Person who had been determined by competent authority to be subject to the prohibitions contained in the Orders.

2.10 Financial Statements. Seller has delivered to Purchaser copies of the financial statements listed on Schedule 2.10 attached hereto (collectively, the "Financial Statements"). The Financial Statements are true, complete and to Seller's Knowledge, accurate in all respects, present a materially accurate financial position of Seller and the operation of the Community as at such dates and the results of its operations and earnings for the periods indicated thereon, and have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods indicated.

2.11 No Litigation. Except as set forth on Schedule 2.11, to Seller's Knowledge, there are no actions, suits, claims, governmental investigations or other legal or administrative proceedings, or any orders, decrees or judgments in progress, pending or in effect, or threatened in writing against or relating to Seller, Manager with respect to Manager's management of the Community, the Community, or any of the Assets, and to Seller's Knowledge, there are none pending in state courts, or in any federal courts, or pending in other jurisdictions or threatened, at law or in equity, by or before any federal, state or municipal court or other Governmental Authority.

2.12 Employee and Labor Relations. All personnel engaged in operating the Community are employees of Manager and, to Seller's Knowledge, are employees-at-will. Seller has no Employees.

2.13 Knowledge Defined. As used in this Agreement, the term "Seller's Knowledge" or "Knowledge of Seller" means and is limited to the current actual knowledge of Robert H. Zeiller and Matt Aubé, the Chief Executive Officer and Managing Director and Chief Financial Officer, respectively, of Seller (collectively, the "Seller Knowledge Parties") without any duty of inquiry or investigation unless specified above; provided that so qualifying Seller's Knowledge shall in no event give rise to any personal liability on the part of the Seller Knowledge Parties or any other officer or employee of Seller or Manager on account of any breach of any representation or warranty made by Seller herein. Seller's Knowledge or the Knowledge of Seller expressly excludes constructive knowledge, imputed knowledge, or knowledge Seller or such persons do not have but could have obtained through further investigation or inquiry beyond what is required as set forth herein. No broker, agent or party other than Seller is authorized to make any representation or warranty for or on behalf of Seller.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Seller to enter into this Agreement and to consummate the transactions contemplated herein, Purchaser represents and warrants the following to Seller:

3.1 Corporate Organization; Etc. Purchaser is a limited liability company duly organized and validly existing under the laws of the State of Delaware with full power and authority to own assets and to carry on its business as it is now being conducted.

3.2 Authorization, Binding Effect. Purchaser has, and at Closing will have, the full and unrestricted right, power and authority to execute, deliver and perform this Agreement and to consummate the transactions and perform all obligations contemplated hereby and, in all agreements, instruments and documents being or to be executed and delivered by Purchaser in connection with such transactions. The consummation of the transactions contemplated herein have been duly authorized and approved by all necessary limited liability or corporate action of Purchaser. This Agreement and each such other agreement, instrument and document, upon due execution and delivery by Purchaser, will constitute the legal, valid, and binding obligation of Purchaser, enforceable in accordance with its terms.

3.3 No Conflicts. The execution, delivery and performance of this Agreement and any of the Purchaser Documents by Purchaser does not and will not conflict with or result in a breach of any of the provisions of any agreement to which Purchaser is a party.

3.4 Patriot Act. Purchaser is in compliance with the Orders. Neither Purchaser nor any of its affiliates (a) is listed on the Lists, (b) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by (including, without limitation, by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other Person who had been determined by competent authority to be subject to the prohibitions contained in the Orders.

ARTICLE IV.
COVENANTS OF SELLER

Seller covenants and agrees during the period after the Effective Date and through and including the Closing Date as follows:

4.1 Regular Course of Business. Seller shall at Seller's sole cost and expense: (a) maintain the Assets in good order and repair consistent with Seller's past practices; (b) timely pay all rents and other payments due on or before the Closing under, and otherwise maintain and comply with, all Contracts, all Equipment Leases, and all Residency Agreements; (c) following the expiration of the Due Diligence Period, not make any material changes or modifications in any existing Contracts or Equipment Leases without Purchaser's consent, which shall not be unreasonably withheld, conditioned or delayed; provided, however, if Purchaser fails to respond to a consent request within five (5) Business Days after receipt of such request, Purchaser shall be deemed to have consented. Purchaser further acknowledges that Seller may need to enter into certain additional Contracts or Equipment Leases in accordance with the Assets recent opening and in the event Seller desires to enter into a new Contract or Equipment Lease, Seller shall be permitted to do so without Purchaser's consent so long as such new Contracts and Equipment Leases are terminable upon 30 days written notice or do not exceed Fifteen Thousand and No/100 Dollars ($15,000.00) in annual contract value; (d) following the expiration of the Due Diligence Period, except with Purchaser's consent, which shall not be unreasonably withheld, conditioned or delayed, not make any material changes or modifications to any existing Residency Agreements; provided, however, that Seller may, without requiring Purchaser's consent, enter into new residency agreements with new Residents and may renew existing Residency Agreements on substantially the same terms and conditions as other Residency Agreements in effect prior to the Effective Date for the Community (which terms may include the Concessions (as defined below)); (e) keep in full force and effect present insurance policies through the Closing Date; (f) use its commercially reasonable efforts to maintain in good standing all Licenses; and (g) not allow the number of Residents at the Community to exceed the legal capacity for the Community. Notwithstanding the foregoing, Seller may, without obtaining Purchaser's consent, enter into or make non-economic changes or modifications to Contracts, Equipment Leases or Residency Agreements as Seller deems reasonably necessary in an emergency situation or for the health and safety of the Residents and the Community and agrees to notify Purchaser as promptly as possible following any such emergency event.

4.2 No New Borrowing. From and after the Effective Date, Seller shall not create or cause to become effective any Monetary Encumbrance caused by, through or under Seller and not consented to by Purchaser that Seller will not release or discharge at Closing.

4.3 Taxes. Seller shall file all federal, state and local returns, and, to the extent applicable, estimates and reports and pay all amounts then due, for all taxes for all periods through and including the Closing Date to the extent due and payable at any time prior to the Closing Date hereunder and otherwise to the extent necessary to transfer the Community to Purchaser in accordance with the terms of this Agreement.

4.4 No Disposition of Assets. Except for Assets depleted and replaced in the ordinary course, Seller shall not sell, lease or otherwise dispose of or distribute any of the Assets or properties related thereto or necessary for operation of the Community and, to the extent depleted or replaced in the ordinary course, Seller shall restock and replenish any portion of the Assets consumed or used between the Effective Date and the Closing Date with Assets of equal or superior quality.

4.5 Confidentiality. Seller will use its commercially reasonable efforts to keep confidential all information relating to the terms of this Agreement and all information relating to Purchaser ("Purchaser Confidential Information") and such information shall not at any time be used for the advantage of Seller or disclosed to third parties (including Employees and Residents) by Seller or its broker, lenders, investors, attorneys, members of professional firms and Manager (and their respective agents, representatives, attorneys, consultants and employees) directly involved in the transaction contemplated by this Agreement ("Seller's Representatives"), other than to the extent necessary to consummate the transactions contemplated hereby or as mutually agreed. For purposes of the obligations of Seller and Seller's Representatives to treat Purchaser Confidential Information confidentially, the term "Purchaser Confidential Information" does not include information which: (i) is in connection with communications with Governmental Authorities regarding licensing and the Governmental Approvals (as defined below) as permitted under this Agreement; (ii) at the time of disclosure to Seller or a Seller's Representative, was generally available to the public or becomes generally available to the public after the time of disclosure; (iii) was already known to Seller or a Seller's Representative, or in Seller or any Seller's Representative's possession on a non-confidential basis prior to its disclosure to Seller or a Seller's Representative by or on behalf of Purchaser; (iv) becomes available to Seller or a Seller's Representative on a non-confidential basis from a third party not obligated to keep such information confidential; or (v) is independently developed by Seller or a Seller's Representative without use of Purchaser Confidential Information. Notwithstanding anything to the contrary hereinabove set forth, Seller may disclose such Purchaser Confidential Information on a need-to-know basis to Seller's Representatives. Seller may disclose such Purchaser Confidential Information as any governmental agency may require in order to comply with applicable laws or a court order, provided that Seller shall provide prompt prior written notice of such requirement to the extent not prohibited by law or regulation in order to enable Purchaser to seek a protective order or other appropriate remedy (if so desired) prior to such disclosure. If such remedy is not obtained or Seller otherwise remains legally compelled to disclose such Purchaser Confidential Information, Seller may disclose only such Purchaser Confidential Information that, based on the advice of its counsel or compliance professionals, it is required to disclose and will give advance notice to Purchaser of the Purchaser Confidential Information to be disclosed as is practicable and legally permissible under the circumstances. Notwithstanding anything to the contrary in this Agreement, Seller may disclose Purchaser Confidential Information requested by any regulatory or governmental agency during the course of a routine, non-targeted examination, without complying with the foregoing notice or cooperation requirements. Except as set forth in Section 13.13 of this Agreement, all other public announcements by Seller shall be subject to Purchaser's prior written approval, which may be withheld or conditioned in Purchaser's sole discretion.

4.6 Title Insurance and Survey. Prior to or within three (3) days after the Effective Date, Seller shall order, at Purchaser's sole cost and expense, a title commitment for the Community (the "Title Commitment"), issued by Stewart Title and Escrow, Inc., 4035 Ridge Top Road, Suite 150, Fairfax, VA 22030 (the "Title Company"), which Title Commitment shall contain a commitment by the Title Company to issue to Purchaser a title insurance policy on an extended coverage ALTA Owner's form (the "Title Policy"). Purchaser shall be responsible, at its sole cost and expense, for ordering a new survey for the Community (the "Survey") if desired by Purchaser. At Closing, Seller will execute and deliver such customary documents and instruments as the Title Company shall reasonably require to enable Title Company to issue the Title Policy to Purchaser in form and substance reasonably acceptable to Seller and the Title Company. No later than ten (10) days prior to the expiration of the Due Diligence Period ("Purchaser's Objection Deadline"), Purchaser shall give written notice to Seller accepting or objecting to the Title Commitment and the Survey, with any such notice of objection specifying the exceptions or other matters other than the Permitted Exceptions (defined below) to which Purchaser objects ("Purchaser's Objections"). The failure of Purchaser to object to any matter reflected in the Title Commitment or the Survey by Purchaser's Objection Deadline shall be deemed a waiver by Purchaser of any right to object to any matter so shown; provided, however, Seller shall be unconditionally obligated to pay at Closing any outstanding indebtedness evidenced by, and cause the release of, any monetary encumbrance created by, through or under Seller (collectively, "Monetary Encumbrances"), and Seller shall have the right to apply proceeds from the Purchase Price at Closing for such purpose, irrespective of whether Purchaser objects to same. Seller will have until five (5) days prior to the expiration of the Due Diligence Period to give Purchaser its written notice of which Purchaser's Objections Seller elects to eliminate or cure, if any (a "Purchaser's Objections Response"). If Seller does not deliver a Purchaser's Objections Response within the time period set forth above, Seller shall be deemed to have elected not to eliminate or cure any Purchaser's Objections. If Seller agrees to eliminate or cure Purchaser's Objections, Seller will be obligated to do so at its cost on or before Closing. In the event Seller elects not to cure Purchaser's Objections, Purchaser must elect, within three (3) Business Days of Seller's election or deemed election not to cure, but in all events prior to the expiration of the Due Diligence Period, to accept such Purchaser's Objections without adjustment to the Purchase Price or, alternatively, elect to terminate this Agreement. In the event Purchaser so elects to terminate this Agreement, then, so long as Purchaser is not in default under this Agreement, the Deposit shall be returned to Purchaser and except for the rights and obligations which expressly survive such termination, any and all rights or obligations of Seller and Purchaser under this Agreement shall terminate and be of no further force or effect. In the event that at any time on or prior to Closing, an update of the Title Commitment or the Survey reveals any items other than Permitted Exceptions and not previously disclosed by the Title Commitment or the Survey that were not caused by or consented to by Purchaser and would have a material adverse effect on title to the Real Property or Purchaser's operation of the Assets as an independent living facility after Closing ("Newly Arising Matters"), then Purchaser shall give notice to Seller of such Newly Arising Matters objectionable to Purchaser within three (3) Business Days after Purchaser's receipt of such Newly Arising Matters (a "Newly Arising Matters Objection Notice"), and Seller shall have five (5) Business Days from its receipt of such Newly Arising Matters Objection Notice within which to elect to cure or cause the release of the same (a "Newly Arising Matters Objection Response"). If Seller does not deliver a Newly Arising Matters Objection Response within the time period set forth above, Seller shall be deemed to have elected not to cure any Newly Arising Matters. Any Newly Arising Matters and any Purchaser Objections that Seller has agreed to cure will be cured by Seller on or before Closing, which cure may be effected by payment and discharge of the objectionable item or by causing the Title Company to remove the same as an exception or affirmatively insure over such item to adequately address Purchaser's concerns with respect to such matter. In the event Seller shall fail or refuse to cure or be deemed to have elected to refuse to cure any Newly Arising Matters or any Purchaser's Objection that Seller has agreed to cure, Purchaser shall have the right to advise Seller in writing of Purchaser's election (x) to accept such Newly Arising Matters and proceed to Closing without adjustment to the Purchase Price, or (y) to terminate this Agreement by notice to Seller, in which case, so long as Purchaser is not in default under this Agreement, the Deposit shall be refunded to Purchaser, and neither party shall have any further rights, duties or obligations hereunder except for those which expressly survive the termination hereof. For purposes of this Agreement, the term "Permitted Exceptions" shall mean the following (excluding Monetary Encumbrances): (i) all matters that are shown in the Title Commitment and/or disclosed on the Survey, other than the Purchaser's Objections that Seller agrees to cure; (ii) all matters disclosed in any update to the Title Commitment, other than the Newly Arising Matters identified in a Newly Arising Matters Objection Notice that Seller agrees to cure, (iii) local, state and federal laws, ordinances or governmental regulations, including, but not limited to zoning laws and ordinances and land use regulations, (iv) rights of tenants and residents in possession under rental agreements with respect to the Community and the Residency Agreements in effect as of Closing, as tenants only and without any right or option to purchase; (v) the lien of taxes and assessments that are not delinquent as of Closing, (vi) matters arising by, through or under Purchaser, and (vii) any rights of licensees or other third parties under any Assumed Contracts. Notwithstanding anything in this Agreement to the contrary, Purchaser specifically acknowledges and agrees that an amendment to the Condominium Declaration for Land Bay H West Condominium (the "Condo Dec") in substantially the form agreed to as "Exhibit A" in the Interim Agreement as to Rights and Obligations Under the Condominium Instruments for Land Bay H West Condominium dated June 25, 2001 (the "Interim Agreement"), whereby the Additional Land (as defined in the Interim Agreement) is added to the Condo Dec as Unit No. 3 (as defined in the Interim Agreement) and certain other corresponding changes are made, including without limitation, the re-allocation of parking spaces (the "Condo Dec Amendment"), a Transfer of Certain Special Declarant Rights in substantially the form agreed to as "Exhibit B" under the Interim Agreement (the "Declarant Transfer"), and a replat of the condominium property that reflects the completion of the construction of the improvements on the Additional Land (the "Replat"), shall be recorded in the Real Property Records of Alexandria, Virginia on or before the Closing Date and shall be deemed Permitted Exceptions. Upon the recordation of the Replat of the Additional Land, the parties acknowledge and agree that the Legal Description on Exhibit A attached hereto shall be amended to reflect the inclusion of the Additional Land as Unit No. 3 under the Condo Dec and the parties shall promptly amend this Agreement to reflect the same.

Purchaser and Seller acknowledge that the Property is or will become subject to that certain Declaration of Covenants, Conditions and Restrictions by Potomac Yard Development, LLC, a Delaware limited liability company, dated May 22, 2007, as amended ("Declaration"), Reciprocal Easement Agreement by and between Potomac Yard Retail, Inc. and Crescent Potomac Yard Development, LLC, dated March 22, 2001, as amended ("REA"), Condominium Instruments for Land Bay H West Condominium, dated June 25, 2021, as amended ("Condominium Documents"), and Development Agreement by and between Potomac Yard Development, LLC, a Delaware limited liability company, dated May 22, 2007, as amended ("Development Agreement"). Seller shall use commercially reasonable efforts to obtain (a) an estoppel certificate from the Potomac Yard Homeowners Association, Inc. under the Declaration; (b) an estoppel certificate under the REA; and (c) an estoppel certificate under the Development Agreement (collectively, the "Title Estoppels"); provided, however, Purchaser acknowledges and agrees that none of the Title Estoppels shall be deemed a condition precedent to Purchaser's obligation to close under Article IX herein, nor shall Seller's failure to obtain the Title Estoppels be deemed a default by Seller under Article XII herein so long as Seller uses commercially reasonable efforts to obtain the same. Notwithstanding the foregoing, at or prior to Closing, Purchaser shall have received an estoppel certificate from the Land Bay H Condominium Unit Owners' Association, Inc. under the Condominium Documents (the "Condo Estoppel").

4.7 Financial Information. From and after the Effective Date, Seller shall deliver to Purchaser monthly Community income statements and updated rent rolls not later than the fifteenth (15^{th}) day of the next succeeding calendar month.

4.8 SEC Financial Statements Cooperation (Rule 3-14/Item 9.01). Seller shall, and shall use commercially reasonable efforts to cause Manager to, reasonably cooperate with Purchaser and Purchaser's auditors in connection with Purchaser's preparation of any financial statements, schedules, or other financial information relating to the Real Property, the Community and/or the Business that Purchaser determines, in its good faith judgment, may be required to be filed or furnished pursuant to applicable securities laws (including, without limitation, the Securities Exchange Act of 1934, as amended) or the rules and regulations of the Securities and Exchange Commission, including the requirements of Regulation S-X (including Rule 3-14 or Rule 3-05, as applicable) and/or Item 9.01 of Form 8-K (collectively, "SEC Financial Statements"). Such cooperation may include, without limitation: (a) providing Purchaser and Purchaser's auditors reasonable access during normal business hours, upon at least two (2) Business Days' notice, to Books and Records, general ledger detail, trial balances, revenue and expense support, rent rolls and occupancy statistics, invoices and vendor agreements, bank statements (to the extent maintained for the Community), and such other information reasonably required to prepare the SEC Financial Statements; (b) making available, upon at least two (2) Business Days' notice, appropriate employees of Seller and/or Manager (and, if applicable, Seller's independent accountants) for reasonable interviews and inquiries; and (c) executing and delivering customary representation letters (in form and substance reasonably acceptable to Seller), certifications and consents, with appropriate qualifications, reasonably required by Purchaser's auditors in connection with the audit or review of any SEC Financial Statements. Purchaser shall be responsible for all out-of-pocket costs and expenses of Purchaser's auditors incurred in connection with the preparation of any SEC Financial Statements and Seller shall not be required to incur any cost or expense, and shall be promptly reimbursed by Purchaser for any out-of-pocket expenses incurred by Seller, in connection with this Section 4.8. The covenants in this Section 4.8 shall survive Closing for a period of one (1) year.

4.9 Employees; PTO and Employee Bonuses. For the avoidance of doubt, the parties intend for there to be continuity of employment at Closing. Following the expiration of the Due Diligence Period, Seller shall cause Manager to cooperate with Purchaser and Purchaser's operator in informing Manager's employees at the Community of the planned sale of the Community. After the employees have been so informed, Seller shall, and shall cause Manager to, permit and allow reasonable access by Purchaser and Purchaser's operator to meet with the employees at the Community to answer questions and concerns they may have and to make offers of post-Closing employment to any of the employees at the Community, which employees shall be allowed to accept such offers without penalty, competing offer or interference. Those employees that accept employment with Purchaser's operator shall, at Closing, become employees of Purchaser's operator and shall be referred to herein as the "Transferred Employees". At Closing, Seller shall cause Manager to terminate all of Manager's employees at the Community and shall cause Manager to pay to them any wages which are due as of the Closing Date under Manager's employment policies and Applicable Law of the state of Virginia. Purchaser agrees to cause Purchaser's operator or manager, as applicable, to extend an offer of employment to a sufficient number of employees at the Community upon sufficient terms such that Manager will not be required to give notice to the employees at the Community of the sale of the Community provided for herein under the provisions of the federal Workers Adjustment and Retraining Notification Act or any other applicable similar state or local laws (collectively, the "WARN Act"), and Purchaser shall cause Purchaser's operator or manager, as applicable, make such offers of employment at least one (1) day prior to the Closing Date. Seller shall cause Manager to pay as and when due such Employees' unused but accrued vacation, personal pay, or other paid time off and all accrued and unpaid bonuses (the "Employee Benefits") per Manager's employment policies and Applicable Law of the state of Virginia. Purchaser acknowledges and agrees that Seller is relying on Purchaser's agreement as set forth in this Section 4.9, as it relates to Manager not giving notice to the employees at the Community of the sale of the Community provided for herein under the provisions of the WARN Act, and Purchaser shall indemnify Seller for Seller Indemnified Losses under the WARN Act arising from or related to the transaction contemplated by this Agreement (including Purchaser's or Purchaser's operator's or manager's, as applicable, failure to hire a sufficient number of Manager's employees at the Community such that any advance notice obligations are triggered under the WARN Act). To the extent permitted by Applicable Law, Seller shall, or shall cause Manager to deliver to Purchaser's operator or manager, as applicable, either the originals or the full and complete copies of all employee records for all Transferred Employees. Seller and Manager shall have satisfied such obligation as long as all such employee records are present at the Community on the Closing Date. Seller shall cause Manager to remove from the Community all records of former employees who are not Transferred Employees. This Section 4.9 shall survive Closing.

4.10 Changes in Representations and Warranties. Throughout the period from the Effective Date through and including the Closing Date, Seller shall give Purchaser prompt written notice of any event, change or occurrence on or after the Effective Date that would make any representation or warranty of Seller materially inaccurate or materially incorrect as of the time of such event, change or occurrence or will prevent Seller from making the same representations and warranties as set forth herein on and as of the Closing Date (other than representations and warranties that speak as of another stated date) (a "Seller Update Notice"). If the Seller Update Notice discloses a material misrepresentation which would materially adversely affect Seller's ability to consummate the transaction or Purchaser's title to or operation of the Community after Closing, then Purchaser shall have the right to either (i) terminate this Agreement within five (5) Business Days after receipt of the Seller Update Notice, receive an immediate refund of the Deposit, or (ii) elect not to terminate this Agreement, in which event the applicable representations and warranties shall be deemed to be updated to reflect the information contained in the Seller Update Notice and Seller shall not have any liability for breach of such representations and warranties. If Purchaser does not terminate this Agreement within the time period set forth above, Purchaser shall be deemed to have elected option (ii) above.

ARTICLE V.
COVENANTS OF PURCHASER

Purchaser covenants and agrees with Seller that:

5.1 Confidentiality. Prior to Closing, Purchaser will use its commercially reasonable efforts to keep confidential all information relating to the terms of this Agreement, all information relating to Seller, and all information related to the Assets and the Community (other than information which is a matter of public knowledge) ("Seller Confidential Information") and such information shall not at any time be used by Purchaser or its broker, lenders, investors, attorneys, or members of professional firms (and their respective agents, representatives, attorneys, consultants and employees) directly involved in the transaction contemplated by this Agreement ("Purchaser's Representatives"), other than to the extent necessary to consummate the transactions contemplated hereby or as mutually agreed by Seller and Purchaser. For purposes of the obligations of Purchaser and Purchaser's Representatives to treat Seller Confidential Information confidentially, the term "Seller Confidential Information" does not include information which: (i) is in connection with communications with Governmental Authorities regarding licensing and the Governmental Approvals as permitted under this Agreement; (ii) at the time of disclosure to

Purchaser or a Purchaser's Representative, was generally available to the public or becomes generally available to the public after the time of disclosure; (iii) was already known to Purchaser or a Purchaser's Representative, or in Purchaser or any Purchaser's Representative's possession on a non-confidential basis prior to its disclosure to Purchaser or a Purchaser's Representative by or on behalf of Seller; (iv) becomes available to Purchaser or a Purchaser's Representative on a non-confidential basis from a third party not obligated to keep such information confidential; or (v) is independently developed by Purchaser or a Purchaser's Representative without use of Seller Confidential Information. Notwithstanding anything to the contrary hereinabove set forth, Purchaser may disclose such Seller Confidential Information on a need-to-know basis to Purchaser's Representatives. Purchaser may disclose such Seller Confidential Information as any governmental agency may require in order to comply with applicable laws or a court order, provided that Purchaser shall provide prompt prior written notice of such requirement to the extent not prohibited by law or regulation in order to enable Seller to seek a protective order or other appropriate remedy (if so desired) prior to such disclosure. If such remedy is not obtained or Purchaser otherwise remains legally compelled to disclose such Seller Confidential Information, Purchaser may disclose only such Seller Confidential Information that, based on the advice of its counsel or compliance professionals, it is required to disclose and will give advance notice to Seller of the Seller Confidential Information to be disclosed as is practicable and legally permissible under the circumstances. Notwithstanding anything to the contrary in this Agreement, (i) Purchaser may disclose Seller Confidential Information requested by any regulatory or governmental agency during the course of a routine, non-targeted examination, without complying with the foregoing notice or cooperation requirements, (ii) Purchaser may disclose Seller Confidential Information to the extent required by the Securities Exchange Act of 1934, as amended and the rules and regulations of the Securities and Exchange Commission and (iii) Purchaser may disclose Seller Confidential Information in connection with a customary earnings press release or transaction announcement press release and such press release will be subject to the review and approval of the Seller with such approval not to be unreasonably withheld, so long as Purchaser provides Seller at least five (5) Business Days' notice prior to such announcement and Purchaser acknowledges and agrees that Seller shall have the right to communicate information regarding this transaction to the Residents prior to Purchaser's press release or transaction announcement press release.

5.2 Indemnification with Respect to Access to the Real Property. Purchaser hereby indemnifies and holds Seller and its partners, members, managers, officers, directors and affiliates and their respective partners, members, managers, officers, directors, employees, agents and representatives (collectively, "Seller Parties", each a "Seller Party") harmless from and against any claims for injury or death to persons, damage to property, or other losses, liens, damages, expenses (including reasonable attorneys' fees) or claims to the extent arising from any action or inaction of Purchaser or Purchaser's representatives in conducting the Studies or breach of the terms and conditions with respect to Purchaser's access to the Real Property set forth in this Agreement provided, that Purchaser shall have no liability to, nor shall it indemnify, any Seller Party to the extent that any claims arise from conditions existing on or at the Real Property prior to Purchaser and Purchaser's representatives conducting of any Studies (i.e., latent environmental contamination) so long as Purchaser's or Purchaser's representative's actions do not aggravate any pre-existing condition and liability of such Seller Part(ies) and then, Purchaser's liability shall be limited only to the extent of the aggravation directly and proximately caused by Purchaser or Purchaser's representatives. Purchaser waives and releases any claims, damages or other remedies of any kind whatsoever against the Seller Parties for property damage or bodily injury or death of

Purchaser or Purchaser's representatives arising out of entry onto the Real Property, except to the extent arising out of gross negligence or willful misconduct of any Seller Party. The provisions of this Section 5.2 shall survive any termination of this Agreement for a period of twenty-four (24) months. Purchaser further undertakes that any damage occasioned to the Real Property, Personal Property or the Community caused by Purchaser or Purchaser's representatives as a result of any such Studies shall be cured by Purchaser restoring the Real Property, Personal Property or portion of the Community disturbed or damaged back to its pre-entry and pre-disturbed state at its sole cost and expense and at no cost to Seller.

5.3 Assumption of Contracts and Equipment Leases. Purchaser shall review the Contracts and the Equipment Leases during the Due Diligence Period and, in connection with Purchaser's delivery of the Notice to Proceed, Purchaser shall notify Seller which of the Contracts and Equipment Leases that Purchaser, in its sole discretion, wishes not to assume at Closing. Thereafter, Seller shall terminate, as applicable, or cause Manager to terminate, as applicable, the Contracts and the Equipment Leases that Purchaser has elected not to assume on or prior to the Closing Date and Seller shall be responsible for all costs and expenses of such termination, including any costs or expenses that arise after the Closing Date in connection therewith. Notwithstanding the foregoing, any Contracts or Equipment Leases that are marked as "Must Assume" on Schedule 2.4(a) or Schedule 2.7 shall be assumed by Purchaser. Purchaser shall be deemed to have elected to assume all Contracts and all Equipment Leases other than those identified in Purchaser's notice and other than Seller's existing Management Agreement between Seller and Manager dated November 12, 2024 (the "Existing Management Agreement") and leasing agreement, if any, which assumed Contracts and Equipment Leases are referred to as the "Assumed Contracts" and the "Assumed Equipment Leases". At Closing, Purchaser, and Manager, if applicable, and Seller shall execute and enter into the form of assignment and assumption agreement attached hereto as Exhibit B (the "Assignment and Assumption Agreement") whereby Seller and Manager, if applicable shall assign and Purchaser shall assume the Assumed Contracts, the Assumed Equipment Leases and the Residency Agreements. Seller shall bear any costs and expenses of obtaining any consents to such assumption of the Assumed Contracts and the Assumed Equipment Leases. All amounts received or payable under the Assumed Contracts and the Assumed Equipment Leases shall be prorated through the Closing Date pursuant to Section 11.3 and Section 11.5.

5.4 Resident Records. Purchaser understands that all of the Resident Records are being transferred to Purchaser subject to the requirements of Applicable Laws. In addition, if and to the extent permitted by Applicable Law, Purchaser agrees to allow Seller, or Seller's agents or representatives upon reasonable advance notice, to examine from time to time such Resident Records relating to the period of Seller's operation of the Community, to promptly cooperate with Seller, Seller's agents or representatives in their examination or review of such Resident Records, and to permit Seller to make copies thereof, upon request.

5.5 Cooperation. Purchaser shall cooperate with Seller and provide reasonable access to the Books and Records in Purchaser's possession which are required by Seller to respond to any litigation, government audit or third-party payor audit, upon reasonable advance notice and to the extent permitted by Applicable Law.

5.6 Governmental Approvals.

(a) Purchaser shall make or cause Purchaser's operator to make all required filings with Governmental Authorities promptly following the Effective Date, and use commercially reasonable efforts to seek to obtain by the Closing Date all permits, approvals, authorizations and consents of all Governmental Authorities required to consummate the transactions contemplated by this Agreement, including, without limitation, filing applications to obtain all necessary or appropriate approvals for the ABC License issued by the Virginia Alcoholic Beverage Control Authority to Purchaser (the "Liquor License"), and a Continuation of Operations Permit authorizing Purchaser to temporarily operate the Community under the Community's existing Virginia ABC Retail License (the "Continuation of Operations Permit"), agreements, certificates and other consents from all Governmental Authorities and third parties, and any district, or other governmental agency or administrative body that authorizes or regulates the operation of the Community and the conduct of the Business (individually and collectively, "Governmental Approvals"). Notwithstanding the foregoing, Seller and Purchaser acknowledge and agree that the parties are unlikely to receive the Liquor License prior to the Closing Date, and therefore, Seller and Purchaser's operator shall enter into a duly executed agreement pursuant to which Purchaser or Purchaser's operator assumes operations of the Community on the Closing Date and operates as a tenant, subtenant or manager operating under the Community's existing Virginia ABC Retail license pursuant to the Continuation of Operations Permit until such time as the Liquor License is issued in Purchaser's or Purchaser's operator's name, which lease/management will be noneconomic (i.e. no rent or management fees will be paid or payable by either party) and will be solely to facilitate the transition of operations to Purchaser or Purchaser's operator (the "Interim Liquor License Agreement"). Purchaser and Purchaser's operator (as applicable) shall use good faith efforts to negotiate and agree to a form of the Interim Liquor License Agreement to be effective as of the Closing Date. Notwithstanding the foregoing, Purchaser and Seller shall have agreed to the final form of the Interim Liquor License Agreement, in a form mutually agreeable to Purchaser and Seller prior to the expiration of the Due Diligence Period, and in the event that Purchaser and Seller have not agreed to a final form prior to the expiration of the Due Diligence Period, Purchaser shall be deemed to have waived its right to terminate this Agreement for failure of Purchaser and Seller to agree upon an Interim Liquor License Agreement, and the final form of Interim Liquor License Agreement proposed by Seller prior to the expiration of the Due Diligence Period shall be deemed the agreed-upon Interim Liquor License Agreement, as adjusted to conform the same to the standards of being noneconomic and being commercially reasonable.

(b) Purchaser shall file the application the Continuation of Operations Permit and the Liquor License as soon as reasonably practicable following the Effective Date, but in any event, within five (5) Business Days after the Effective Date and to the extent permitted by Applicable Law, Purchaser shall apply for the Liquor License and the Continuation of Operations Permit concurrently. Each party shall furnish promptly to each other party all information that is not otherwise available to the other party and required in connection with the Governmental Approvals that such party may reasonably request in connection with any such filing. Purchaser shall keep Seller reasonably informed as to its progress with respect to obtaining the Governmental Approvals. In the event that this Agreement is terminated after Purchaser has made filings with Governmental Authorities for the Governmental Approvals, Purchaser shall promptly withdraw such filings at Purchaser's sole cost and expense and shall notify Seller when such withdrawal is complete. This obligation to withdraw such filings survives termination of this Agreement. In the event that Purchaser receives the Liquor License by the Closing Date such that a Continuation of

Operations Permit is no longer required, Purchaser shall promptly, and in all events prior to the Closing Date, withdraw its application for a Continuation of Operations Permit at Purchaser's sole cost and expense and shall notify Seller when such withdrawal is complete.

5.7 Changes in Representations and Warranties. Throughout the period from the Effective Date through and including the Closing Date, Purchaser shall give Seller prompt written notice of any representation and warranty made by Purchaser in this Agreement which becomes materially inaccurate or incorrect, to the extent Purchaser obtains knowledge of such inaccuracy or incorrectness.

5.8 New Management Agreement. Purchaser, or Purchaser's designated affiliates, shall use good faith efforts to negotiate a new property/operations management agreement for the Assets with Manager (the "New Management Agreement"), to be effective as of the Closing Date, providing that Manager will manage the Assets upon Closing. The parties acknowledge that Purchaser may implement an operating structure consistent with Article VI, and accordingly Seller and Purchaser agree that the New Management Agreement shall include customary provisions evidencing that Manager is acting as an independent contractor (and not as an agent) and that nothing therein is intended to create a partnership or joint venture between the real estate owner and Manager. Notwithstanding the foregoing, Purchaser and Manager shall have agreed to the final form of the New Management Agreement, in a form mutually agreeable to Purchaser and Manager prior to the expiration of the Due Diligence Period (as evidenced by written confirmation in Purchaser's Notice to Proceed), and in the event that Purchaser and Manager have not agreed to a final form prior to the expiration of the Due Diligence Period, the parties shall continue to negotiate in good faith and continually pursue finalization of such form prior to Closing, and failure by Purchaser to negotiate in good faith or timely participate in negotiations shall be an event of default under this Agreement. In the event that the New Management Agreement has not been agreed to by Closing, the Closing shall automatically be extended up to an additional fifteen (15) days (the "New Management Agreement Extension Period") to allow the finalization of the New Management Agreement between Purchaser and Manager, provided, however, Purchaser acknowledges and agrees that upon finalization of such agreement, (i) Purchaser shall provide immediate written notice to Seller that such agreement has been finalized, and (ii) in the event Seller desires to close prior to the expiration of the New Management Agreement Extension Period, Purchaser shall promptly proceed to Closing within two (2) Business Days of receiving such notice from Seller. In the event the New Management Agreement has not been agreed to by Purchaser and Manager upon the expiration of the New Management Agreement Extension Period, such failure shall constitute a default hereunder by Purchaser, whereupon Seller shall have the remedies set forth in Section 12.2 hereof.

5.9 Consulting Agreement. Purchaser shall use good faith efforts to negotiate and agree to a form of consulting agreement for the Assets with Seller (the "Consulting Agreement"), to be effective as of the Closing Date, providing that Seller, or Seller's designated affiliates, will consult on the operation of the Assets following Closing. Notwithstanding the foregoing, Purchaser and Seller shall have agreed to the final form of the Consulting Agreement, in a form mutually agreeable to Purchaser and Seller prior to the expiration of the Due Diligence Period, and in the event that Purchaser and Seller have not agreed to a final form prior to the expiration of the Due Diligence Period, Purchaser shall be deemed to have waived its right to terminate this Agreement for failure of Purchaser and Seller to agree upon a Consulting Agreement, and the final form of

Consulting Agreement proposed by Seller prior to the expiration of the Due Diligence Period shall be deemed the agreed-upon Consulting Agreement.

ARTICLE VI.
SENIORS HOUSING OPERATING PORTFOLIO TAX COMPLIANCE; OPERATING STRUCTURE

The parties acknowledge that Purchaser intends to acquire the Community as part of a seniors housing operating portfolio and may utilize one or more ownership and operating structures intended to achieve customary tax compliance objectives for such investments (including, if applicable, compliance with the Internal Revenue Code of 1986, as amended (the "Code"), and applicable REIT rules). Without limiting Purchaser's rights under Section 13.6 (Assignment), Seller shall reasonably cooperate with Purchaser to facilitate such structure(s), including the matters set forth below.

6.1 Operating Structure Definitions. For purposes of this Agreement: (a) "Owner" means the entity or entities designated by Purchaser to acquire and hold title to the Real Property; (b) "Operating Entity" means the entity or entities designated by Purchaser (which may include an affiliate of Purchaser) to lease the Real Property from the Owner and/or to conduct, directly or through other permitted entities, the operations of the Community; (c) "Independent Operator" means a third-party operator or manager (including an independent contractor) engaged to manage and/or operate the Community for the Operating Entity pursuant to an operating agreement or management agreement; and (d) "Operating Structure Documents" means the customary documents (if any) implementing the foregoing structure, which may include one or more leases, subleases, management agreements, sub-management agreements, operating agreements, estoppels, consents, certificates and acknowledgements.

6.2 Structure; Designation of Closing Entities. Purchaser may designate one or more affiliates and/or other entities, including an Owner and/or an Operating Entity, to take and/or acquire some or all of the Personal Property and other Assets at Closing, and provided that Purchaser otherwise complies with the terms and conditions of Section 13.6, Seller shall convey such Assets to such designee(s) in accordance with Purchaser's written direction delivered to Seller at least five (5) Business Days prior to Closing. No additional consent of Seller shall be required for such designation, and any such designee(s) shall be deemed Purchaser's Permitted Assignee(s) for purposes of Section 13.6.

6.3 Operating Agreements; Owner/Operator Separation. At or prior to Closing, Purchaser may cause the Owner and the Operating Entity (and/or other applicable affiliates) to enter into one or more customary arrangements to evidence the leasing and/or operation of the Community, and may cause the Operating Entity (and/or its permitted operator entity) to enter into an operating agreement or management agreement or sub-management agreement with an Independent Operator (collectively, the "Operating Agreements") to be effective after and contingent upon Closing. Seller shall (and shall use commercially reasonable efforts to cause Manager to) reasonably cooperate, at no out-of-pocket cost or expense to Seller (except as otherwise provided herein), in connection with the documentation and implementation of the Operating Structure Documents, including by executing customary estoppels, consents, certificates and acknowledgements, each in form and substance reasonably acceptable to Seller, as may be reasonably requested by Purchaser, the Owner, the Operating Entity, any lender, and/or the title company; provided that Seller shall not be required to incur any liability or make any representation or warranty beyond those expressly set forth in this Agreement. The parties further acknowledge and agree that Seller shall not operate the Community after Closing and that, to the extent Purchaser's structure requires separation of ownership and operations for tax compliance purposes, (i) the Independent Operator (and not the Owner) will have day-to-day responsibility for operating the Community pursuant to the Operating Agreements, (ii) the Operating Agreements will provide that the Independent Operator is acting as an independent contractor (and not as an agent) of the Owner, and (iii) nothing in the Operating Structure Documents will be intended to create a partnership, joint venture or similar relationship between the Owner and the Independent Operator.

ARTICLE VII.
OTHER COVENANTS

7.1 Rents; Accounts Receivable; Move-in Deposits and Move-In Fees.

(a) Prior to the Closing, Seller shall or shall use commercially reasonably efforts to, as applicable, cause the Manager to bill the Residents in the ordinary course of business for amounts due under Residency Agreements in advance. Purchaser shall have responsibility for billing the amounts due under the New Residency Agreements after the Closing Date. In addition, Seller also bills Residents for certain private pay items that are billed in arrears (including, if applicable, for items such as beauty services, meal tray delivery, long distance telephone charges, cable television, guest meals, therapy services and other similar items) attributable to the calendar month of Closing. The portion of all rents under the Residency Agreements and all service fees under the Residency Agreements (the "Rents and Fees") allocable to the time period before the Closing Date shall be allocated to Seller and the portion thereof allocable to the time period under the New Residency Agreements from and after the Closing Date shall be allocated to Purchaser and will be accounted for as part of the reconciliation process set forth in Section 11.5 below and Purchaser shall make the reimbursements.

(b) Delinquent Rents and Fees for the period prior to the Closing Date will remain the property of Seller. Seller shall retain all rights in and title to all pre-closing accounts receivable except to the extent any portion relates in part to dates after the Closing Date. With respect to the collection of delinquent Rents and Fees prior to the Closing Date, as to (i) former Residents or commercial tenants who are not Residents or commercial tenants on the Closing Date, Seller may conduct whatever collection actions it deems commercially necessary and reasonable to recover such past due amounts, and (ii) Residents or commercial tenants who are Residents or commercial tenants on the Closing Date, Seller may not conduct any collection activity; provided, however, that Purchaser covenants and agrees to deliver past due notices and statements to the applicable Residents or commercial tenants for the first thirty (30) days after Closing and Seller covenants and agrees to write off any such amounts not collected within such thirty (30) day period. Seller agrees that Seller will not evict any Resident or commercial tenant at the Community after the expiration of the Due Diligence Period without Purchaser's prior written consent, which consent shall not be unreasonably delayed, conditioned or withheld (provided, however, the parties agree that Purchaser's consent may be reasonably withheld if required to comply with Purchaser's tax structure or rules and regulations related thereto); provided further, however, that Seller may, without obtaining Purchaser's consent, evict any Resident or commercial tenant at the Community as Seller deems reasonably necessary in an emergency situation or for the health and safety of the Residents and the Community. Seller shall promptly provide Purchaser with written notice of any such eviction action after the commencement of the same.

(c) All Rents and Fees received by either party after the Closing Date from any Resident or commercial tenant which do not specify the service dates for which such payment relates will be applied as follows: (i) first, to rent and service fees of that Resident or commercial tenant due and payable to Purchaser and (ii) second, to the delinquent rents and service fees of that Resident or commercial tenant attributable to the periods before the Closing Date. All payments received by either Purchaser or Seller from Residents which specify a date of service for such Residents shall be credited to the party who rendered the services on the specified dates.

(d) With respect to Community fees, deposits and move-in fees paid by any resident of the Community at any time prior to the Closing Date, including, without limitation, Residents as of the Closing Date as well as prior residents of the Community (such deposits and fees, collectively "Move-in Deposits") as more specifically described on Schedule 7.1(d), Purchaser shall be entitled to a credit at Closing for the portion of such Move-in Deposits that are refundable to any such prior resident or Resident as of the Closing Date in accordance with the term of the applicable residency or occupancy agreement or Residency Agreement or pursuant to applicable law.

(e) With respect to any reimbursable concessions, including without limitation, "Wrap, Pack & Move" or closet allowance concessions, as such available Concessions are more specifically described on Exhibit F attached hereto (collectively, the "Concessions"), that are offered to Residents prior to Closing but have not been reimbursed to such Residents prior to the Closing Date as more specifically described on Schedule 7.1(e) (collectively, the "Pre-Closing Concessions"), Purchaser shall be entitled to a credit at Closing for the portion of such Pre-Closing Concessions that have not been reimbursed to such Residents as of the Closing Date.

(f) At the Closing, Purchaser shall receive a credit equal to all rents received by Seller through and including the date one (1) day prior to the Closing Date for the month in which the Closing occurs prorated as of the Closing Date, subject to the reconciliation process set forth in Section 11.5 below (but only to the extent that such deposits were actually received by Seller or Manager and have not otherwise been applied by Seller to any obligations of any Residents under the Residency Agreements). To the extent that checks for amounts due under any Residency Agreements are made payable to the name of the Community or a variation thereof, Purchaser and Seller shall cooperate in order to ensure funds relating to periods prior to the Closing Date are credited to or received by Seller (subject to the provisions of Sections 7.1(c) and 11.5) and checks relating to period on or after the Closing Date are credited to or received by Purchaser.

(g) Each party agrees that they will provide each other with any information reasonably required to enable either party to complete its billing to Residents and commercial tenants.

ARTICLE VIII.
INDEMNIFICATION; CREDIT SUPPORT

8.1 Indemnification by Seller.

(a) If Closing occurs, Seller shall indemnify, protect, defend, exculpate and hold Purchaser, Purchaser's Permitted Assignees (defined below) and each of their partners, directors, members, shareholders, officers, employees and agents (collectively, "Purchaser Indemnified Parties") harmless from and against, and agree promptly to defend Purchaser Indemnified Parties from and reimburse Purchaser Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) (collectively, "Purchaser Indemnified Losses") which Purchaser Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Any breach, inaccuracy, misrepresentation or omission in any of the representations or warranties made by any Seller in (a) this Agreement or any Exhibit or Schedule hereto, or (b) any instrument, certificate or affidavit delivered by Seller at Closing, but not if Seller delivers to Purchaser a Seller Update Notice with respect to such breach, inaccuracy, misrepresentation or omission and Purchaser elects to go forward with Closing pursuant to Section 4.10 above or Purchaser otherwise has actual knowledge of such breach, inaccuracy, misrepresentation or omission prior to Closing and elects to go forward with Closing notwithstanding the same to the extent Purchaser would have had the right to terminate this Agreement on account of the same; and

(ii) Any breach of any covenant, agreement or undertaking made by Seller under this Agreement which expressly survives Closing or as set forth in any instrument, certificate or affidavit delivered by or on behalf of Seller at Closing.

(b) Notwithstanding anything to the contrary contained herein, Seller shall be liable for Purchaser Indemnified Losses pursuant to Section 8.1(a)(i) and (ii) only if the aggregate amount of such Purchaser Indemnified Losses exceeds the amount of Twenty-Five Thousand and No/100 Dollars ($25,000.00) (the "Basket"), after which Seller shall be responsible for any such Purchaser Indemnified Losses, up to an aggregate cap of three percent (3%) of the Purchase Price (the "Cap"). Nothing set forth in this Article VIII or elsewhere in this Agreement or in any instrument, certificate, affidavit or Closing documents shall limit, affect or circumvent the provisions of Section 13.15 (As Is). Purchaser's sole post-Closing remedy against Seller under this Agreement or any closing documents shall be as set forth under the terms of this Article VIII and all Seller liability other than liabilities arising from fraud or the willful misconduct of Seller under this Agreement shall be subject to the Cap. Notwithstanding anything contained in this Agreement to the contrary, with respect to all matters affecting title to the Real Property (and/or any portion thereof), and any liens or other encumbrances affecting the Real Property (and/or any portion thereof), but expressly excluding Monetary Encumbrances which Seller is obligated to discharge on or before Closing, Purchaser acknowledges and agrees that it is solely relying upon the Title Policy. If Purchaser has any claim under the Title Policy under this Agreement, Purchaser agrees that it will look first to the Title Policy for recovery on such claim, and Purchaser shall not assert any claim against Seller for a breach of a representation, warranty, or covenant with respect to such claim. This obligation to first rely on the Title Policy shall survive the Closing.

(c) Claims for Purchaser Indemnified Losses by Purchaser Indemnified Parties may only be brought by such Purchaser Indemnified Party if Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim, it being the parties' intent that Purchaser Indemnified Parties other than Purchaser (or Purchaser's Permitted Assignees, if applicable) not have a separate and independent right to assert an indemnification claim pursuant to this Agreement unless Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim.

8.2 Indemnification by Purchaser.

(a) If Closing occurs, Purchaser shall indemnify, protect, defend, exculpate and hold Seller, and Seller's respective stockholders, partners, members, directors, officers, employees and agents (collectively, "Seller Indemnified Parties") harmless from and against, and agree promptly to defend Seller Indemnified Parties from and reimburse Seller Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) (collectively, "Seller Indemnified Losses") which Seller Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Any and all obligations of Purchaser (or Purchaser's affiliates and agents) of any nature whatsoever, including, without limitation, all liabilities and obligations with respect to claims, damages or injury related to or arising out of Purchaser's ownership, leasing or operation of the Real Property, the Personal Property, the Community or any other Assets after the Closing Date, except such obligations as may be assumed or retained by Seller;

(ii) Any breach, inaccuracy, misrepresentation or omission of any of the representations or warranties made by Purchaser in or pursuant to (a) this Agreement or any Exhibit or Schedule hereto or (b) any instrument, certificate or affidavit delivered by Purchaser at Closing, but not if Seller has actual knowledge of such breach, inaccuracy, misrepresentation or omission prior to Closing and elects to go forward with Closing notwithstanding the same; and

(iii) Any breach of any covenant, agreement or undertaking made by Purchaser under this Agreement which expressly survives Closing or as set forth in any instrument, certificate or affidavit delivered by or on behalf of Purchaser at Closing.

(b) Claims for Seller Indemnified Losses by Seller Indemnified Parties may only be brought by such Seller Indemnified Party if Seller joins in or consents to making such claim, it being the parties intent that Seller Indemnified Parties other than Seller not have a separate and independent right to assert an indemnification claim pursuant to this Agreement unless Seller joins in making such claim.

8.3 Survival Period. All of the representations and warranties of the parties contained in this Agreement shall survive the Closing and continue in full force and effect for a period of twelve (12) months after the Closing (the "Survival Period"). All of the other covenants of the parties contained in this Agreement to be performed after Closing shall survive the Closing until such covenants are fully satisfied or performed (including continuing performance during a post-Closing time period specified herein with respect to such covenant). The period after the Closing Date during which a claim for indemnification may be asserted under this Agreement by an indemnified party under this Agreement shall commence on the Closing Date and terminate at the expiration of the Survival Period.

Notwithstanding the foregoing, if prior to the close of business on the last day of the Survival Period, an Indemnifying Party shall have been properly notified of a claim for indemnity and such claim shall not have been finally resolved or disposed of at such date, such claim shall continue to survive and shall remain a basis for indemnity hereunder until such claim is finally resolved or disposed of in accordance with the terms hereof.

8.4 Intentionally Omitted.

8.5 Method of Indemnification.

(a) In the event of any claim which a party to this Agreement is to be indemnified under the provisions of this Article VIII, such party (the "Indemnitee") shall notify the indemnifying Party (the "Indemnitor") in writing of Indemnitee's claim within the earlier of one hundred eighty (180) days following the date on which the Indemnitee first became aware of the claim and the end of the Survival Period (which written notice shall specify in reasonable detail the basis of such claim, including the specific provision(s) of this Agreement that the Indemnitee alleges to have been materially breached by the Indemnitor, if applicable, and the nature and amount of the losses allegedly incurred by the Indemnitee). In the event of a claim pursuant to Section 8.1(a)(i)-(ii) or Section 8.2(a)(i)-(iii), if the Indemnitee files an action against the Indemnitor for any claim, such action shall be filed before the day prior to the second anniversary of the Closing Date. The parties stipulate that the periods of time referenced above to give written notice of the alleged claim and to file the action with respect to such claim are reasonable and hereby waive any claims to the contrary. If the Indemnitee fails to timely notify the Indemnitor in writing or file such action within the required time periods as described above, such action shall be barred and the Indemnitor will not be obligated to indemnify the Indemnitee with respect to such claim.

(b) If a claim relates to a claim made by a third party against an Indemnitee, then the Indemnitor at its sole cost and expense shall defend, with counsel reasonably satisfactory to the Indemnitee, such claim by all appropriate proceedings, which proceedings will be diligently prosecuted to a final conclusion or will be settled at the discretion of the Indemnitor (with the consent of the Indemnitee, which shall not be unreasonably withheld and which shall be deemed to be provided if such settlement provides a release to the Indemnitee without the payment of any amount or the taking of any action or admission of liability by the Indemnitee). The Indemnitee will cooperate in such defense at the sole cost and expense of the Indemnitor. Notwithstanding the foregoing, if the named parties to any proceeding include both the Indemnitee and the Indemnitor and, in the reasonable opinion of counsel to the Indemnitee, representation of both parties by the same counsel would be in conflict or otherwise inappropriate due to actual or potential differing interests between them, then the Indemnitee shall be entitled to retain separate counsel for the Indemnitee, at the expense of the Indemnitor (provided that the costs and expenses of such separate counsel are reasonable).

ARTICLE IX.
CONDITIONS TO THE OBLIGATIONS OF PURCHASER

Each and every obligation of Purchaser under this Agreement, except for the obligations of Purchaser to be fulfilled prior to the Closing and obligations that survive termination of this Agreement, shall be subject to the satisfaction, on or before the Closing, of each of the following conditions set forth in this Article IX, unless waived in writing by Purchaser or as otherwise set forth in Section 9.2 below. In the event that any of the conditions set forth in this Article IX are not satisfied or waived in writing by Purchaser on or before the Closing Date, then Purchaser may, by notice to Seller, terminate this Agreement, whereupon Escrow Agent shall upon request by Purchaser, so long as Purchaser is not in default under this Agreement, refund the Deposit to Purchaser and neither party shall have any further rights, duties or obligations hereunder except for those provisions which expressly survive termination of this Agreement; provided, however, in the event such failure to satisfy a condition is a result of Seller's default hereunder, the provisions of Section 12.1 shall apply. The conditions under this Article IX are as follows:

9.1 Representations and Warranties; Performance.

(a) Subject to Section 4.10 above, the representations and warranties made by Seller herein and in the Seller Documents shall be true, complete, and correct in all material respects (other than representations and warranties which are qualified by materiality which shall be true and complete in all material respects) as of the Effective Date and at and as of the Closing, with the same effect as though made on and as of such date (other than those representations and warranties that speak as of another stated date, which representations and warranties shall have been true and correct in all material respects as of such date).

(b) Seller shall not be in default, after notice and opportunity to cure as set forth in Section 12.3 below, of any material covenants pursuant to this Agreement or any Seller Documents in any material respect as of Closing.

9.2 No Destruction or Condemnation of Real Property. The Community shall not have suffered material damage, destruction or condemnation loss not caused by Purchaser or its employees, agents, subcontractors or third party inspectors (nor shall either party have received notice of an impending material condemnation loss). If, after the Effective Date, the Community incurs damage, destruction or condemnation loss not caused by Purchaser or its employees, agents, subcontractors or third party inspectors (or either party has received notice of an impending condemnation loss) which is material damage, destruction or loss, Purchaser may, by delivery of written notice to Seller within thirty (30) days thereafter, either (i) terminate this Agreement or (ii) waive its right to terminate this Agreement under this Section 9.2. If Purchaser fails to deliver Seller a notice of termination within the time period set forth above, Purchaser shall be deemed to have elected option (i) above. If, after the Effective Date, the Community incurs damage, destruction or condemnation loss (or either party has received notice of an impending condemnation loss) which is not material damage, destruction or loss, or Purchaser waives its right to terminate this Agreement due to material damage, destruction or loss, then Seller may elect, in its sole discretion, to either (a) pay or assign to Purchaser all of Seller's right to the proceeds of any condemnation award or insurance proceeds in connection therewith and proceed to Closing without making repairs, subject to the rights of any mortgagee with a credit against the Purchase Price equal to any amounts paid over to such mortgagee and with a credit against the Purchase Price equal to the amount of any deductible, co-payment or other reduction in proceeds (including any amount by which the estimated cost of repair exceeds any available insurance proceeds) and the Purchase Price shall be reduced by Seller's and Purchaser's mutually agreed reasonable estimate in writing of the amount by which the cost to repair the portion of the Assets affected by such damage, destruction, or loss exceeds such award, or (b) repair any such damage, destruction or loss (in all instances to restore the Community to full functional status consistent with prior operation (to the extent permitted by Applicable Law) before Purchaser shall be obligated to proceed to Closing. In the event Seller elects option (b) above, the Closing Date may be extended for a period not to exceed sixty (60) days to allow Seller to complete such repairs; provided, however, that no Purchase Price Increase shall be due as a result of Seller's election to extend the Closing Date in connection with this Section 9.2. For the purposes of this Section 9.2, "material damage, destruction or loss," shall mean destruction of or damage to, or condemnation loss (or impending condemnation loss) of or at the Community that (A) is reasonably expected to cost at least One Million and No/100 Dollars ($1,000,000.00) to repair for destruction or damage or at least One Million and No/100 Dollars ($1,000,000.00) for a condemnation loss (or impending condemnation loss), (B) permanently and materially interferes with the operation of the Community or (C) renders the Community less than a functional structure in which Purchaser can operate the Business. No damage, destruction or loss caused by Purchaser or its employees, agents, subcontractors or third party inspectors shall constitute "material damage, destruction or loss", irrespective of the resulting repair costs. In no event shall Seller have any obligation to repair any damage, destruction or loss to any portion of the Community or Assets, but Seller shall have the right to do so at Seller's election of option (b) above and to utilize insurance proceeds for such purpose.

9.3 No Proceeding or Litigation. No injunction, judgment, order, decree, ruling or charge shall be in effect under any action, suit or proceeding before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator that (i) prevents consummation of any of the transactions contemplated by this Agreement or (ii) would cause any of the transactions contemplated by this Agreement to be rescinded following consummation.

9.4 Title Insurance. Title to the Real Property shall be as required by Section 4.6 above; provided, however, it shall not be a condition to Purchaser's obligation to close that any endorsements be issued to the Title Policy and in the event that the Title Company is unable, due to no fault of Purchaser, to issue the Title Policy to Purchaser at Closing in accordance with Section 4.6 or this Section 9.4, prior to Purchaser having the right to terminate this Agreement due to failure of this condition precedent, Purchaser shall extend the Closing for up to ten (10) Business Days to allow Purchaser additional time to identify a replacement title company acceptable to Seller and committed to issue to Purchaser the Title Policy at Closing as required by Section 4.6.

9.5 Substantial Completion of Assets. Seller shall have delivered to Purchaser evidence of substantial completion of construction of the Assets (the "Completion Evidence"), which

Completion Evidence shall be satisfied by delivery by Seller of the close out documents specifically listed on Schedule 9.5.

9.6 Other Agreements. Seller shall have delivered into the Closing escrow its countersigned copies of the Seller Documents.

ARTICLE X.
CONDITIONS TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller under this Agreement, except for the obligations to be fulfilled prior to the Closing and obligations that survive termination of this Agreement, shall be subject to the satisfaction, on or before the Closing, of each of the following conditions unless waived in writing by Seller. In the event that any of the conditions set forth in this Article X are not satisfied or waived in writing by Seller on or before the Closing Date, then Seller may, by notice to Purchaser, terminate this Agreement, whereupon Escrow Agent shall refund the Deposit to Purchaser and neither party shall have any further rights, duties or obligations hereunder except for those provisions which expressly survive termination of this Agreement; provided, however, in the event such failure to satisfy a condition is solely as a result of Purchaser's default hereunder, then the provisions of Section 12.2 shall apply. The conditions under this Article X are as follows:

10.1 Representations and Warranties; Performance.

(a) The representations and warranties made by Purchaser herein and in the Purchaser Documents, shall be true, complete, and correct in all material respects on and as of the Effective Date and at and as of the Closing, with the same effect as though made on such date.

(b) Purchaser shall have performed and complied with each of its covenants pursuant to this Agreement or any Purchaser Documents in all material respects through the Closing.

10.2 New Management Agreement. Purchaser, or Purchaser's designated affiliates (including, if applicable, the Operating Entity), and Manager shall have entered into the New Management Agreement (or a sub-management agreement, which the parties intend to constitute a tax-compliant Management Agreement), to be effective as of the Closing Date.

10.3 Replat, Declarant Transfer and Condo Dec Amendment. The Replat, Declarant Transfer and Condo Dec Amendment shall be recorded in the Real Property Records of Alexandria, Virginia.

10.4 Other Agreements. Purchaser shall have delivered into the Closing escrow its countersigned copies of the Purchaser Documents and the Purchase Price, adjusted for any prorations, credits and additions for the benefit of Purchaser or Seller as specified in this Agreement, less the Deposit, by wire transfer of immediately available federal funds.

10.5 No Proceeding or Litigation. No injunction, judgment, order, decree, ruling or charge shall be in effect under any action, suit or proceeding before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator that (i) prevents consummation of any of the transactions contemplated by this Agreement or (ii) would cause any of the transactions contemplated by this Agreement to be rescinded following consummation.

ARTICLE XI.
CLOSING

11.1 Possession and Closing Documents.

(a) Possession. Possession of all Assets sold hereunder shall be delivered to Purchaser on the Closing Date, and Seller shall provide notices, in the form provided by Purchaser and reasonably acceptable to Seller, to Transferred Employees and to Residents of such change in ownership if requested by Purchaser or if required by Applicable Law.

(b) Closing Documents. Seller shall deliver to Purchaser on the Closing Date:

(i) duly executed deed for the Real Property, in the form attached hereto as Exhibit C;

(ii) any applicable transfer tax declarations and similar documents required to be executed by sellers of real estate, if any;

(iii) duly executed Assignment and Assumption Agreement, in the form attached hereto as Exhibit B;

(iv) duly executed Bill of Sale, in the form attached hereto as Exhibit D;

(v) such additional bills of sale, certificates of title and other appropriate instruments of assignment and conveyance, in form mutually but reasonably satisfactory to Purchaser and Seller, dated as of the Closing, conveying all title to the Assets, including the Personal Property, free and clear of all liens, liabilities, security interests or encumbrances except for the Permitted Exceptions;

(vi) an assignment of all intangible property necessary for the operation of the Community including, without limitation, documents, chattel paper, instruments, contract rights, deposit accounts, goodwill, going concern value, general intangibles, the right to use the trade names and lists of phone numbers, arising from or in connection with Seller's operation or use of any part of the property, including, without limitation, the items set forth in clauses (viii) – (x) in the definition of "Assets";

(vii) the Interim Liquor License Agreement;

(viii) assignment of the leased vehicles included in the FF&E;

(ix) a rent roll, certified by Seller in accordance with Section 2.4(b) herein and dated no earlier than five (5) Business Days prior to the Closing Date, which shall include such information for the Residents as provided in Schedule 2.4(b);

(x) to the extent not already delivered by Seller, and to the extent available and in Seller's possession or control, originals of all of the Assumed Contracts, the Assumed Equipment Leases, the Residency Agreements and the Licenses;

(xi) evidence of the authority of Seller to execute and deliver the Seller Documents in order to effectuate the Closing;

(xii) evidence of termination of Seller's Existing Management Agreement and leasing agreement, if any;

(xiii) if applicable, such customary estoppels, acknowledgements and/or certificates executed by Seller in connection with the proposed tax structure described in Article VI, each in form and substance reasonably acceptable to Purchaser;

(xiv) duly executed affidavit in form sufficient to obtain the Title Policy, without exception for standard exceptions, mechanic's, materialman's or other statutory liens and otherwise insuring title in the condition required hereunder ("Owner's Affidavit") and a customary gap indemnity agreement as the Title Company shall reasonably require ("Gap Indemnity");

(xv) a closing statement setting forth in reasonable detail the financial transactions contemplated by this Agreement, including, without limitation, the Purchase Price and the allocation of costs specified herein ("Seller Closing Statement"), duly executed by Seller;

(xvi) a certificate of Seller confirming that Seller has delivered (or made available) to Purchaser the Books and Records and other financial information of Seller and/or Manager relating to the Community reasonably necessary for Purchaser to prepare any SEC Financial Statements (as defined in Section 4.8), and authorizing Purchaser and Purchaser's auditors to contact Seller's and/or Manager's personnel for reasonable follow-up questions in connection therewith, each in form and substance reasonably acceptable to Seller;

(xvii) duly executed certificate of Seller certifying that the condition set forth in Section 9.1(a) has been satisfied and met as of the Closing Date;

(xviii) duly executed certificate and affidavit of non-foreign status in the form attached hereto as Exhibit E;

(xix) duly executed Consulting Agreement;

(xx) the Condo Estoppel, and subject to the terms and conditions in Section 4.6, the Title Estoppels, all to the extent not previously provided to Purchaser by Seller; and

(xxi) a prorations schedule setting forth in reasonable detail all prorations contemplated by this Agreement (the "Prorations Schedule") duly executed by Seller.

(c) Purchaser shall deliver to Seller or cause to be delivered to Seller on the Closing Date, in addition to the Deposit set forth in Section 1.4 above and the Purchase Price pursuant to Section 1.5 above, the following:

(i) duly executed Consulting Agreement;

(ii) any applicable transfer tax declarations and similar documents required to be executed by purchasers of real estate, if any;

(iii) duly executed Assignment and Assumption Agreement and Interim Liquor License Agreement;

(iv) duly executed certificate of Purchaser certifying that the condition set forth in Section 10.1(a) has been satisfied and met as of the Closing Date;

(v) a closing statement setting forth in reasonable detail the financial transactions contemplated by this Agreement, including, without limitation, the Purchase Price and the allocation of costs specified herein ("Purchaser Closing Statement"), duly executed by Purchaser;

(vi) a countersigned copy of the Assignment and Assumption Agreement; and

(vii) the Prorations Schedule, duly executed by Purchaser.

(d) Automatic Payment Methods. Seller shall, or shall use commercially reasonable efforts to cause the Manager, as applicable, to terminate all electronic fund transfers and other automatic payment methods as of 11:59:59 p.m. on the day before the Closing Date and the last date through which Seller has responsibility for billing Residents in order to facilitate the transactions contemplated in this Agreement.

11.2 Resident Funds. At Closing, Seller shall, or shall use commercially reasonable efforts to cause Manager, as applicable, to provide Purchaser with an accounting of all funds belonging to Residents which are held by Seller in a custodial capacity (collectively, "Resident Funds") as of Closing. Such accounting will set forth the names of the Residents for whom such Resident Funds are held and the amounts held on behalf of each Resident.

At Closing, Seller shall or shall cause Manager, as applicable, to transfer all Resident Funds to a bank account designated by Purchaser and Purchaser shall, in writing, acknowledge receipt of and expressly assume all of Seller's financial and custodial obligations with respect thereto, it being the intent and purpose of this provision that, at Closing, Seller will be relieved of all fiduciary and custodial obligation with respect to such Resident Funds and that Purchaser will assume all such obligations and be directly accountable to the Residents with respect to all Resident Funds actually received by Purchaser.

11.3 Closing Adjustments.

(a) Financing Costs. Purchaser will be responsible for payment of any and all costs imposed as a result of any financing Purchaser elects to put in place at Closing. Seller will be responsible for any and all costs associated with the repayment, satisfaction and release of any Monetary Encumbrances, including without limitation any recording costs to release such

Monetary Encumbrances and any prepayment penalties, yield maintenance charges or other charges associated therewith.

(b) Real Estate and Personal Property Taxes; Prorations. Real and personal property taxes and assessments shall be prorated as of the Closing Date. Said prorations shall be based on the tax year of the district in which the Real Property and the Personal Property are located and shall be based on the most recent available bill. Said prorations shall be made on an accrual basis with reference to the most recent available tax information with a post-closing reproration being made within thirty (30) days after either party's receipt of the actual final tax bills for the applicable years, subject to Seller's Tax Appeal Rights (defined below). If such amounts are not paid by Seller to Purchaser, or by Purchaser to Seller, as the case may be, within thirty (30) days, then the amount owed shall accrue interest thereafter at the rate of 1.5% per month; provided, however, that in no event will interest be charged in excess of the amount permitted by Applicable Law. Seller's right to initiate, prosecute and/or settle any tax reduction proceedings in respect of the Assets relating to any period of Seller's ownership of the Assets shall be deemed "Seller's Tax Appeal Rights" and Purchaser shall reasonably cooperate with Seller in connection with the prosecution of any such tax reduction proceedings. Any refunds or savings in the payment of taxes resulting from such tax reduction proceedings applicable to taxes payable during the period prior to the date of the Closing shall belong to and be the property of Seller, and any refunds or savings in the payment of taxes applicable to taxes payable from and after the date of the Closing shall belong to and be the property of Purchaser. All attorneys' fees and other expenses incurred in obtaining such refunds or savings shall be apportioned between Seller and Purchaser in proportion to the gross amount of such refunds or savings payable to Seller and Purchaser, respectively; provided, however, that neither Seller nor Purchaser shall have any liability for any such fees or expenses in excess of the refunds or savings paid to such party unless such party initiated such proceeding. The provisions of this Section 11.3(b) shall survive Closing without limitation.

(c) Prepaid Rents and Fees, Move-in Deposits and Pre-Closing Concessions. In accordance with Section 7.1, Purchaser shall receive credits for Rents and Fees which were actually received by Seller or Manager and have not been otherwise applied by Seller to any obligation of any Residents under the Residency Agreements for the month of Closing prorata, any Move-in Deposits in accordance with Section 7.1(d), and any Pre-Closing Concessions in accordance with Section 7.1(e), which amounts shall be subject to reconciliation pursuant to Section 11.5 below.

(d) Other Prorations. Charges for water, fuel, gas, oil, heat, electricity and other utilities, operating charges and prepaid amounts under Assumed Contracts shall not be prorated as of the Closing Date as Seller will cause all utility accounts in Seller's name to be terminated and Purchaser will establish new accounts in Purchaser's name. Seller shall have the right to retain any deposits paid by Seller to any utility providers.

(e) Estimated Costs. All payables, including accounts payable for utilities, payroll, services, supplies and materials, which accrue prior to the Closing Date shall be Seller's responsibility and shall be subject to the reconciliation process described in Section 11.5 below. All payables, including accounts payable for supplies, payroll, services and materials, which accrue after 12:00:00 a.m. on the Closing Date shall be paid by Purchaser.

(f) Closing Statement Accounting. All calculations and prorations under this Section 11.3 shall be made on the accrual basis of accounting.

11.4 Closing Costs.

(a) At or before Closing, Seller shall pay (i) the Grantor's Tax, (ii) the Regional WMATA Capital fee, (iii) any Regional Congestion Relief fees, (iv) any and all other sales, excise, documentary, stamp tax and transfer taxes not described in Section 11.4(a)(i) above or 11.4(b)(i) below, if any, (v) the cost of recording any releases to any exceptions to title that are not Permitted Exceptions, including but not limited to, all Monetary Encumbrances, (vi) any extended coverage premium or any endorsements for the Title Policy that Seller elects to purchase to cure Purchaser's Objections, and (vii) fifty percent (50%) of any escrow or closing charges of the Title Company.

(b) At or before Closing, Purchaser shall pay (i) the state and city Grantee's Tax, (ii) the costs of preparing and updating, if applicable, the Survey, (iii) all recording costs not described in Section 11.4(a) above, (iv) the cost of the title exam fees, the title commitment and base Title Policy, any endorsements to the Title Policy except those that Seller elects to purchase to cure Purchaser's Objections, and the cost of any lender's policy of title insurance, and (v) fifty percent (50%) of any escrow or closing charges of the Title Company. In addition, if Purchaser elects to use a lender with this transaction, Purchaser shall pay the cost of any title insurance issued in favor of any lender of Purchaser, and the costs associated with the inspections and investigations conducted by Purchaser or its agents or representatives.

11.5 Post-Closing Purchase Price Reconciliation. Within sixty (60) days after the Closing Date, representatives of Purchaser shall prepare and deliver to Seller a proposed initial statement of reconciliation itemizing the following: (i) all costs, charges and expenses paid by one party with respect to the Community that are properly allocable to the other party; and (ii) all resident rents, service fees, and, to the extent applicable, reimbursement from any third-party payor actually collected by either party with respect to the Community (the "Initial Reconciliation") and to whom such fees should be properly allocated. The Initial Reconciliation shall include appropriate detail to identify the items being adjusted and shall provide documentation evidencing all expenses, costs, charges, service fees and resident rents. Promptly following Purchaser's request, Seller shall use commercially reasonable efforts to deliver all information and documents reasonably requested by Purchaser in connection with its preparation of the Initial Reconciliation and the Final Reconciliation (defined below) statements. A final reconciliation of all expenses, costs, charges, service fees and resident rents shall be prepared by Purchaser and delivered to Seller within ninety (90) days after the Closing Date (the "Final Reconciliation"). Throughout the period leading up to the Initial Reconciliation and the Final Reconciliation, each party shall provide to the other party any information it may receive regarding the revenue and expense items described in subparagraphs (i) and (ii) of this Section 11.5. The Final Reconciliation shall appropriately reflect the net amount owed to Purchaser or to Seller as a result of such reconciliation. After approval of the Final Reconciliation by both parties, the party determined to owe cash as a result of such Final Reconciliation shall promptly pay such cash to the other party. If Purchaser and Seller cannot agree upon a Final Reconciliation, then the determination of a Final Reconciliation shall be made by an independent CPA firm mutually selected by Purchaser and Seller, whose determination shall be binding upon Purchaser and Seller. The party who does not prevail in the dispute resolution shall also pay the fees and costs of the CPA firm.

ARTICLE XII.
DEFAULT AND REMEDIES

12.1 Seller Default. Notwithstanding anything to the contrary contained in this Agreement, if Purchaser gains actual knowledge prior to Closing that a representation or warranty of Seller under this Agreement has been materially breached and Seller has not delivered a Seller Update Notice pursuant to Section 4.9 above, or if Seller otherwise fails to perform a material covenant or obligation of Seller in accordance with the terms of this Agreement and such breach of such representation, warranty or covenant continues after notice and opportunity to cure as provided in Section 12.3 below, Purchaser may, as its sole and exclusive remedy, either (i) terminate this Agreement by written notice to Seller and obtain a return of the Deposit, in which event neither party shall have any rights or obligations under this Agreement except for those which expressly survive termination, or (ii) sue for specific performance of this Agreement. Purchaser shall be deemed to have elected to terminate this Agreement and waived its remedy of specific performance if Purchaser fails to deliver to Seller written notice of its intent to file a claim or assert a cause of action for specific performance against Seller on or before ten (10) Business Days following the scheduled Closing Date or, having given such notice, fails to file a lawsuit asserting such claim or cause of action in the county in which the Real Property is located within thirty (30) days following the scheduled Closing Date. Notwithstanding anything herein to the contrary or any other provision of this Agreement, any agreement contemplated by this Agreement or any rights which Purchaser might otherwise have at law, equity or by statute, in no event shall Seller be liable to Purchaser for incidental, consequential or punitive damages for breach of this Agreement or the documents delivered at Closing and all Seller liability shall be limited to the Cap. The provisions of this Section 12.1 shall survive Closing.

12.2 Purchaser Default. Notwithstanding anything to the contrary contained in this Agreement, if Seller gains actual knowledge prior to Closing that a representation or warranty of Purchaser under this Agreement has been materially breached or if Purchaser otherwise fails to perform a material covenant or obligation of Purchaser in accordance with the terms of this Agreement and such breach of such representation, warranty or covenant continues after notice and opportunity to cure as provided in Section 12.3 below, Seller may, as its sole and exclusive remedy, terminate this Agreement by written notice to Purchaser, in which event the Deposit shall be forfeited to Seller as liquidated damages and not as a penalty, this Agreement shall be null and void and neither party shall have any rights or obligations under this Agreement except for those which expressly survive termination.

12.3 Opportunity to Cure. No party to this Agreement may terminate this Agreement prior to Closing or pursue any other remedy referred to in this Article XII on account of a breach of a covenant or warranty by the other party hereunder without first giving the other party written notice of such breach (Purchaser hereby agreeing to give such written notice to Seller within one (1) Business Day after Purchaser first learns of any such breach by Seller), and not less than ten (10) days within which to cure such breach. The Closing Date shall be postponed, if necessary, to afford such opportunity to cure but in no event shall such postponement delay the Closing Date beyond the Outside Closing Date or, so long as such postponement is only pursuant to Purchaser’s right to cure hereunder, require Purchaser to make any Purchase Price Increase.

ARTICLE XIII.
MISCELLANEOUS PROVISIONS

13.1 Amendment and Modification. This Agreement may be amended, modified and supplemented only by written agreement of all the parties with respect to any of the terms contained herein.

13.2 Waiver of Compliance; Consent. Any failure of Seller on the one hand, or Purchaser, on the other hand, to comply with any obligation, covenant, agreement or condition may be waived in writing by the other party, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 13.2.

13.3 Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be, or sent by (i) electronic mail or facsimile transmission, (ii) personally delivered or (iii) sent by overnight commercial delivery service, and such notice shall be effective when received at the following addresses:

(a) If to Seller, to:

Silverstone Alexandria II Owner, LLC
c/o Silverstone Senior Living, LLC
3710 Rawlins Street, Suite 800
Dallas, Texas 75219
Attention: Matt Aubé
E-mail: ******

And

Attention: Robert H. Zeiller
E-mail: ******

with copies to (which shall not constitute notice):

Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attention: Meredith Brewster
E-mail: ******
And

Attention: Kim Trapani
E-mail: ******

And

Compatriot Capital, Inc.
8235 Douglas Ave., 10th Floor
Dallas, Texas 75225
Attention: Thomas H. Sharpe
Email: ******

And

Attention: Austin C. Whitmore, Esq.
E-mail: ******

(b) If to Purchaser, to:

Chiron Real Estate Inc.
7373 Wisconsin Avenue, Suite 800
Bethesda, Maryland 20814
Attention: Jamie Barber
Email: ******

and to:

Attn: Matthew Wolf
Taft Law
Suite 2200
80 South 8th Street
Minneapolis, MN 55402
******

or to such other person or address as any party shall furnish to the other parties in writing pursuant to this Section 13.3. Refusal to accept delivery or change of address for which no notice was given shall be deemed to be effective delivery hereunder. Notices delivered by counsel to Purchaser shall be deemed given by Purchaser and notices delivered by counsel to Seller shall be deemed given by Seller.

13.4 Brokers and Finders; Expenses. Each of Purchaser and Seller represents and warrants to the other that such party has not retained any broker or finder in connection with this transaction. Seller on the one hand, and Purchaser, on the other, each agrees to indemnify the other for any losses incurred with respect to a breach of this Section 13.4. Except as otherwise provided herein, each party hereto shall bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

13.5 Attorneys' Fees. In the event any proceeding or suit is brought to enforce this Agreement, the prevailing party shall be entitled to all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by such party in connection with any action, suit or proceeding to enforce the other's obligations under this Agreement, including any appellate or bankruptcy proceedings resulting therefrom (subject to the Cap on Seller's liability pursuant to Article VIII above).

13.6 Assignment. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns. Purchaser may assign its rights under the Agreement in whole or in part, without the prior written consent of Seller, to any entity controlling, controlled by or under common control with Purchaser (a "Purchaser's Permitted Assignee"), provided that Purchaser shall not be released from its liability hereunder in connection with or as a result of such assignment and Purchaser's assignee shall agree in writing to be bound by all obligations of Purchaser hereunder. Upon an assignment by Purchaser of its rights under the Agreement in accordance with this Section 13.6, Purchaser's Permitted Assignee shall be deemed to be the Purchaser hereunder and shall be the beneficiary of all of Seller's warranties, representations and covenants in favor of Purchaser under this Agreement. Purchaser shall provide Seller written notice and an executed copy of any such assignment.

13.7 Governing Law. This Agreement shall be governed by the laws of the State of Virginia as to, among other things, matters of validity, construction, effect and performance but exclusive of its conflicts of laws provisions.

13.8 Business Day. If the date for the giving of notice or performance of any duty or obligation hereunder falls on a day that is not a Business Day, such date shall be automatically extended to the next Business Day. As used herein, a "Business Day" means any day other than a Saturday, Sunday or any other day on which banks are authorized to be closed in the State of Virginia.

13.9 Counterparts; Electronic or Facsimile Signature. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed counterparts of this Agreement or any amendment hereto may be delivered by electronic or facsimile transmission.

13.10 Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

13.11 Entire Agreement. This Agreement, which term as used throughout includes the Exhibits and Schedules hereto, embodies the entire agreement and understanding of the parties in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the parties hereto with respect to such subject matters contained herein.

13.12 Reliance. In executing and in carrying out the provisions of this Agreement, the parties are relying solely on the representations, warranties and agreements contained in this Agreement and on any writing delivered pursuant to provisions of this Agreement or at the Closing of the transactions herein provided for and not upon any representation, warranty, agreement, promise or information, written or oral, made by any person other than as specifically set forth herein or therein.

13.13 Publicity. Except as otherwise expressly permitted under this Agreement, no party shall issue any press release or public announcement relating to the subject matter of this Agreement without the prior written approval of the other parties, which approval may be withheld in either party's sole discretion; provided, however, that any party may make the following public disclosure (without the consent of the other party): if prior to Closing, such disclosure, it believes in good faith, is required by Applicable Law or stock market rule (in which case to the extent practicable the disclosing party shall advise the other parties and provide them with a copy of the proposed disclosure prior to making the disclosure. Further, in accordance with the confidentiality provisions of this Agreement, Purchaser may publicly disclose the existence of this Agreement and disclose any information relating to the subject matter of this Agreement requested by any regulatory or governmental agency during the course of a routine, non-targeted examination. All public announcements by Purchaser shall be subject to Seller's prior written approval, which may not be unreasonably withheld, delayed or conditioned and Seller shall use best efforts to promptly respond to any such request for consent.

13.14 Waiver of Jury Trial. EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, INCLUDING TO ENFORCE OR DEFEND ANY RIGHTS HEREUNDER, AND AGREES THAT ANY SUCH ACTION SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

13.15 AS IS. IT IS UNDERSTOOD AND AGREED THAT EXCEPT AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE CLOSING DOCUMENTS, (A) THIS AGREEMENT, THE DUE DILIGENCE ITEMS AND THE SALE OF THE REAL PROPERTY, PERSONAL PROPERTY, THE COMMUNITY AND THE ASSETS ARE BEING PROVIDED, MADE OR SOLD, AS APPLICABLE, without representation, covenant, or warranty of any kind (whether express, implied, or, to the maximum extent permitted by applicable law, statutory) BY SELLER AND PURCHASED AND ACCEPTED BY PURCHASER ON AN "AS IS," "WHERE IS" AND "WITH ALL FAULTS" BASIS, SUBJECT TO ANY CONDITION WHICH MAY EXIST, AND WITHOUT THE EXISTENCE OF AND WITHOUT RELIANCE UPON ANY REPRESENTATION, WARRANTY, AGREEMENT, OR STATEMENT BY SELLER, OR ANYONE ACTING ON BEHALF OF SELLER, ALL of which Purchaser hereby **FOREVER RELEASES AND DISCHARGES** Seller from and Seller hereby disclaims, AND no warranty or representation is made by Seller as to design, quality, condition, operation or income, compliance with drawings or specifications, absence of defects, absence of hazardous or toxic substances, absence of faults, flooding, or compliance with laws and regulations including, without limitation, those relating to health, safety, and the environment; (B) PURCHASER IS BEING GIVEN THE OPPORTUNITY TO THOROUGHLY INSPECT AND EXAMINE THE REAL PROPERTY, PERSONAL PROPERTY, THE COMMUNITY AND THE ASSETS TO THE EXTENT DEEMED NECESSARY BY PURCHASER IN ORDER TO ENABLE PURCHASER TO EVALUATE THE PURCHASE ON THE FOREGOING BASIS; AND (C) PURCHASER IS RELYING SOLELY UPON SUCH INSPECTIONS, EXAMINATION, AND EVALUATION BY PURCHASER IN PURCHASING ON AN "AS IS", "WHERE IS" AND

"WITH ALL FAULTS" BASIS, WITHOUT REPRESENTATION, WARRANTY, AGREEMENT OR STATEMENT BY SELLER OR ANYONE ACTING ON BEHALF OF SELLER, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE, EXCEPT AS MAY BE SET FORTH IN THIS AGREEMENT AND IN THE CLOSING DOCUMENTS. SELLER EXPRESSLY DISCLAIMS, WHICH PURCHASER HEREBY ACKNOWLEDGES AND ACCEPTS, ANY IMPLIED WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Upon Closing, Purchaser shall assume the risk that adverse matters, including, but not limited to, adverse physical or construction defects or adverse environmental, health or safety conditions, that may not have been revealed by Purchaser's inspections. Purchaser waives any and all rights or remedies it may have or be entitled to, deriving from any significant disparate bargaining position in relation to Seller. The provisions of this Section 13.15 shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the closing documents.

13.16 Limitation of Liability. Each party acknowledges and agrees that (i) it will have no claims or causes of action against any disclosed or undisclosed, direct or indirect member, partner, owner, principal, parent, subsidiary or other affiliate of the other party (the "Protected Affiliates"), or any officer, director, manager, employee, trustee, agent or shareholder of such other party or any of the Protected Affiliates (together with the Protected Affiliates, the "Protected Parties"), arising out of or in connection with this Agreement or the transactions contemplated by this Agreement, and (ii) it shall not sue or otherwise seek to enforce any personal obligation of the other against any of the Protected Parties with respect to any matters arising out of or in connection with this Agreement or the transactions contemplated by this Agreement. The terms and provisions of this Section 13.16 shall survive Closing or any termination of this Agreement.

13.17 Like-Kind Exchange. Seller and Purchaser acknowledge that either party may be contemplating a "like-kind exchange" under Section 1031 of the United States Internal Revenue Code (simultaneous, deferred or reverse) and similar provisions of applicable state law ("Exchange") and either party may, without the other's consent, assign its rights under this Agreement to a qualified intermediary to effect the Exchange. Each party will make reasonable efforts to cooperate with the other party's reasonable requests to effect the Exchange; provided that (i) neither party shall be required to incur any additional costs, expenses or liability in connection with the other party's Exchange, (ii) neither party shall be obligated to execute any note, contract, deed or other document not otherwise expressly provided for in this Agreement providing for any personal liability (other than a consent to assignment to the qualified intermediary, if required), (iii) neither party shall be obligated to take title to any property other than the Property, (iv) the exchanging party is not released from any obligations or liability under this Agreement and (v) the exchanging party will indemnify, defend and hold the other party harmless from and against all expenses, losses, costs (including, without limitation, reasonable attorney's fees), damages and claims resulting from the exchanging party's Exchange or attempted Exchange. For the avoidance of doubt, either party shall have the right to delay Closing for a reasonable amount of time under this Section 13.17 and in the event Purchaser elects to effect a "like-kind exchange" as contemplated hereunder and such delay is at the election of Purchaser, such delay of Closing elected by Purchaser shall be subject to the terms and conditions of Section 1.2(a) hereof.

13.18 Time. Time is of the essence in the performance of this Agreement.

13.19 Exclusivity. From the Effective Date through the earliest of (a) the Closing Date, and (b) earlier termination of this Agreement, Seller agrees not to solicit or entertain other bids or proposals to purchase the Assets from any other person or entity ("Purchaser's Exclusivity Right"). Notwithstanding the foregoing, Purchaser's Exclusivity Right shall automatically terminate upon Purchaser's default under this Agreement, subject to any notice and cure rights hereunder.

13.20 No Recordation. Without the prior written consent of Seller, there shall be no recordation of either this Agreement or any memorandum hereof, or any affidavit pertaining hereto, and any such recordation of this Agreement or memorandum or affidavit by Purchaser without the prior written consent of Seller shall constitute a default hereunder by Purchaser, whereupon Seller shall have the remedies set forth in Section 12.2 hereof. In addition to any such remedies, Purchaser shall be obligated to execute an instrument in recordable form releasing this Agreement or memorandum or affidavit, and Purchaser's obligations pursuant to this Section 13.20 shall survive any termination of this Agreement as a surviving obligation.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed or have caused their duly authorized representatives to execute this Agreement as of the date first written above.

PURCHASER:

XRN ALEXANDRIA I LLC,
a Delaware limited liability company

By: /s/ Mark Decker, Jr.
Name: Mark O. Decker, Jr.
Title: Authorized Signatory

[SIGNATURE PAGES CONTINUE ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed or have caused their duly authorized representatives to execute this Agreement as of the date first written above.

SELLER:

SILVERSTONE ALEXANDRIA II OWNER, LLC,
a Delaware limited liability company

By: /s/ Matt Aube
Name: Matt Aube
Title: Chief Financial Officer

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

ASSIGNMENT AND ASSUMPTION AGREEMENT

EXHIBIT C

FORM OF SPECIAL WARRANTY DEED

EXHIBIT D

BILL OF SALE

EXHIBIT E

Exhibit E-2

EXHIBIT F

CONCESSIONS AVAILABLE TO BE OFFERED

SCHEDULE 2.3

LICENSES

SCHEDULE 2.4(a)

CONTRACTS

SCHEDULE 2.4(b)

FORM OF RESIDENCY AGREEMENT

SCHEDULE 2.4(b)

RENT ROLL DATED AS OF MAY 1, 2026

SCHEDULE 2.7

EQUIPMENT LEASES

SCHEDULE 2.10

FINANCIAL STATEMENTS

SCHEDULE 2.11

LITIGATION
SCHEDULE 7.1(d)

PRE-CLOSING MOVE-IN DEPOSITS

SCHEDULE 7.1(e)

PRE-CLOSING CONCESSIONS

SCHEDULE 9.5

COMPLETION EVIDENCE

Exhibit 10.3

FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT (this "Amendment") is entered into as of May 29, 2026 (the "Amendment Effective Date") by and between SILVERSTONE ALEXANDRIA II OWNER, LLC, a Delaware limited liability company ("Seller") and XRN ALEXANDRIA I LLC, a Delaware limited liability company ("Purchaser") (each a "Party" and, collectively, the "Parties").

BACKGROUND

WHEREAS, the Parties entered into that certain Asset Purchase Agreement dated May 1, 2026 (the "Agreement"); and

WHEREAS, the Parties desire to amend certain terms and provisions in the Agreement as more particularly set forth below.

NOW THEREFORE, for the mutual covenants set forth herein and in the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. Definitions. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

2. Vehicles. Seller and GMSC Alexandria LLC, a Texas limited liability company ("Manager") are in the process of assigning the lease with Huntington Bank for a shuttle bus servicing the Community (the "Shuttle Bus Lease") from Seller to Purchaser. Such assignment of the Shuttle Bus Lease is not anticipated to occur until after Closing. The Parties shall reasonably cooperate with one another to complete the assignment of the Shuttle Bus Lease as soon as reasonably practicable after the Closing Date and execute and deliver such additional documentation as is required in connection therewith. So long as Purchaser and/or Manager, as applicable, obtain and continue to maintain customary automobile insurance with respect to the shuttle bus and provide an insurance certificate in respect thereof to Seller as an additional insured, Seller and/or Manager, as applicable, shall have the right to use the shuttle bus and the existing license plates after the Closing Date until such time as the Shuttle Bus Lease has been assigned to Purchaser and new license plates are delivered to Purchaser and/or Manager if applicable. This Section 2 shall survive Closing.

3. Employee Matters. Notwithstanding that the fifth sentence of Section 4.9 of the Agreement provides that at Closing, Seller shall pay all employees any wages which are due as of the Closing Date, the Parties hereby acknowledge and agree that the next employee payment cycle will occur post-Closing and that any wages which are due as of the Closing Date will be paid to the employees post-Closing in the next employee payment cycle. Employee wages are prorated between Seller and Purchaser on the closing statements. This Section 3 shall survive Closing.

4. Liquor License Matters. Seller and Purchaser hereby acknowledge and agree that while Seller has applied for the Community's initial ABC Retail liquor license (the "Initial Liquor License"), the Initial Liquor License will not be received prior to Closing. As of the Amendment

Effective Date, Seller has withdrawn its Initial Liquor License application and Purchaser has submitted its new Liquor License application. Because the Initial Liquor License will not be issued prior to Closing, Seller and Purchaser hereby acknowledge and agree that notwithstanding anything to the contrary set forth in Section 5.6(a) of the Agreement, the Continuation of Operations Permit and Interim Liquor License Agreement are inapplicable and there shall be no further obligation for Purchaser to apply for a Continuation of Operations Permit or for Seller or Purchaser to enter into an Interim Liquor License Agreement.

5. Parking Spaces. Reference to "twenty three (23) limited common element parking spaces" in Section B(iii) of the Recitals in the Agreement is hereby amended to "twenty (20) limited common element parking spaces".

6. Conflicts. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Agreement, the terms and conditions of this Amendment shall control.

7. Counterparts. This Amendment may be executed by email (in ".pdf" format) and/or in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed originals signatures for purposes of this Amendment.

8. Severability. In the event that any part of this Amendment shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be reformed, and enforced to the maximum extent permitted by law. If such provision cannot be reformed, it shall be severed from this Agreement and the remaining portions of this Agreement shall be valid and enforceable.

9. Binding Agreement. All terms, conditions, and covenants of the Agreement not otherwise modified herein are hereby ratified and confirmed, and this Amendment when executed by the Parties hereto will become a part of the Agreement and the Agreement shall remain in full force and effect.

10. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, without regarding to its principles of conflicts of laws.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

[Remainder of page intentionally left blank]

SELLER:

SILVERSTONE ALEXANDRIA II OWNER, LLC,
a Delaware limited liability company

By: /s/ Matt Aubé
Matt Aubé, Chief Financial Officer

PURCHASER:

XRN ALEXANDRIA I LLC,
a Delaware limited liability company

By: /s/ Robert Kiernan
Name: Robert Kiernan
Title: CFO

[Signature Page to First Amendment to Purchase and Sale Agreement]

Exhibit 10.4

Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K because they do not contain information material to an investment or voting decision and such information is not otherwise disclosed in this agreement or the related filing. Certain personally identifiable or other private information has also been omitted from the filed version of this agreement. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

PURCHASE AND SALE AGREEMENT

THE LANDING COMMUNITY
Alexandria, Virginia

BETWEEN

SILVERSTONE ALEXANDRIA, LP
a Delaware limited partnership

and

SILVERSTONE ALEXANDRIA OWNER, LLC,
a Delaware limited liability company

AS SELLERS

AND

XRN ALEXANDRIA II LLC,
a Delaware limited liability company

AS PURCHASER

Dated:

May 1, 2026 (the "Effective Date")

TABLE OF CONTENTS

LIST OF EXHIBITS

LIST OF DEFINED TERMS

PURCHASER:	XRN ALEXANDRIA II LLC, a Delaware limited liability company
SELLERS:	Silverstone Alexandria, LP, a Delaware limited partnership ("**PropCo Seller**")
	and
	Silverstone Alexandria Owner, LLC, a Delaware limited liability company ("**OpCo Seller**"; together with PropCo Seller, the "**Sellers**", or individually as the context may require, a "**Seller**")
PURCHASE PRICE:	$130,000,000.00
DEPOSIT:	$5,000,000.00
APPROVAL DATE:	May 1, 2026
TITLE NOTICE DATE:	April 28, 2026
CLOSING DATE:	June 1, 2026
TITLE COMPANY:	Stewart Title and Escrow Inc.
BROKER:	Newmark
PROPERTY MANAGER:	GMSC Alexandria LLC, a Texas limited liability company
ASSET MANAGER:	Paul Lee the asset manager with Invesco Advisers, Inc. ("**Invesco**") (Sellers' investment advisor)

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "**Agreement**"), dated as of the Effective Date, is made by and between Sellers and Purchaser.

R E C I T A L S

A. PropCo Seller owns fee simple title to that certain real property located at 2620 Main Line Boulevard, Alexandria, VA 22301, commonly referred to as The Landing Alexandria and more particularly described on ***Exhibit 1.1.1*** attached hereto.

B. OpCo Seller (i) holds a leasehold interest in the Land pursuant to that certain Lease and Security Agreement dated March 9, 2021 by and between OpCo Seller, as tenant, and PropCo Seller, as landlord (the "**Operating Lease**"), pursuant to which OpCo Seller operates a senior housing facility (the "**Facility**"), and (ii) owns the Personal Property (as hereinafter defined) and Residential Agreements (as hereinafter defined) located on the Land and in the Improvements.

C. Purchaser desires to purchase the Property (as hereinafter defined) and each Seller desires to sell its respective Property, on the terms and conditions set forth below.

A G R E E M E N T S:

NOW, THEREFORE, in consideration of the covenants, promises and undertakings set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sellers and Purchaser agree as follows:

1. THE PROPERTY.

1.1 Description. Subject to the terms and conditions of this Agreement, and for the consideration herein set forth, each Seller agrees to sell and transfer, respectively, and Purchaser agrees to purchase and acquire, all of their respective assignable and transferable right, title, and interest in and to the following (collectively, the "**Property**"):

1.1.1 Certain land (the "**Land**") more specifically described in ***Exhibit 1.1.1*** attached hereto;

1.1.2 The buildings, parking areas, improvements, and fixtures now situated on the Land (the "**Improvements**");

1.1.3 All furniture, personal property, machinery, apparatus, and equipment owned by OpCo Seller and currently used in the operation, repair and maintenance of the Facility, Land and Improvements and situated thereon; excluding any cash, cash equivalents, securities or bank accounts (collectively, the "**Personal Property**"). The Personal Property to be conveyed is subject to depletions, replacements and additions in the ordinary course of OpCo Seller's business;

1.1.4 All easements, hereditaments, and appurtenances belonging to or inuring to the benefit of Sellers and pertaining to the Land, if any;

1.1.5 Any street or road abutting the Land to the center lines thereof;

1.1.6 Subject to Section 3.3, all contracts and agreements relating to the operation or maintenance of the Land, Improvements, Facility or Personal Property the terms of which extend beyond midnight of the day preceding the Closing Date (as hereinafter defined); and

1.1.7 all right, title and interest of Sellers in and to the following: any trademarks, trade names, service marks, trade dress and all variations thereof, including without limitation the name "The Landing Alexandria", or any variations thereof; all telephone and facsimile numbers relating to the Property (including all "800" numbers); all post office box addresses associated with the Property; all websites, social media accounts, domain names, websites, e-mail addresses, software or other computer programs used in connection with the operation of the Property; all security deposits posted with respect to any assumed Property Contracts ("**Intangible Property**"); provided, however, the resident agreements for a bed or unit at the Facility, including those in effect on the Effective Date and any new occupancy entered into pursuant to Section 4.4, which as of the Closing (as hereinafter defined) affect all or any portion of the Land or Improvements (the "**Residential Agreements**") are, under Virginia law, not assignable to Purchaser.

1.2 "As-Is" Purchase. The Property is being sold in an "AS IS, WHERE IS" condition and "WITH ALL FAULTS" as of the Effective Date and of Closing. Except as expressly set forth in this Agreement, no representations or warranties have been made or are made and no responsibility has been or is assumed by Sellers or by any partner, officer, person, firm, agent, attorney or representative acting or purporting to act on behalf of Sellers as to (i) the condition or state of repair of the Property; (ii) the compliance or non-compliance of the Property with any applicable laws, regulations or ordinances (including, without limitation, any applicable zoning, building or development codes); (iii) the value, expense of operation, or income potential of the Property; (iv) any other fact or condition which has or might affect the Property or the condition, state of repair, compliance, value, expense of operation or income potential of the Property or any portion thereof; (v) whether the Property contains asbestos or harmful or toxic substances or pertaining to the extent, location or nature of same; (vi) any energy star rating, LEED Certification, or similar state, federal, local, or private rating or certification; or (vii) any other matter related in any way to the Property. The parties agree that all understandings and agreements heretofore made between them or their respective agents or representatives are merged in this Agreement and the Exhibits hereto annexed, which alone fully and completely express their agreement, and that this Agreement has been entered into after full investigation, or with the parties satisfied with the opportunity afforded for full investigation, neither party relying upon any statement or representation by the other unless such statement or representation is specifically embodied in this Agreement or the Exhibits annexed hereto.

Purchaser waives its right to recover from, and forever releases and discharges Sellers, Sellers' affiliates, Sellers' investment advisor and manager, the partners, trustees, shareholders, directors, officers, attorneys, employees and agents of each of them, and their respective heirs, successors, personal representatives and assigns (collectively, the "**Releasees**") from any and all demands, claims (including, without limitation, causes of action in tort), legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen (collectively, "**Claims**"), that may arise on account of or in any way be connected with the Property, the physical condition thereof, or any law or regulation applicable thereto (including, without limitation, claims under the Clean Air Act (42 U.S.C. 7401, *et seq*.)), as amended, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601, *et seq*.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, *et seq*.), as amended, the Clean Water Act (33 U.S.C. Section 1251, *et seq*.), as amended, the Safe Drinking Water Act (49 U.S.C. Section 1801, *et seq*.), as amended, the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, *et seq*.), as amended, and the Toxic Substances Control Act (15 U.S.C. Section 2601, *et seq*.). Without limiting the foregoing, Purchaser, upon Closing, shall be deemed to have waived, relinquished and released Sellers and all other Releasees from any and all Claims, matters arising out of latent or patent defects or physical conditions, violations of applicable laws (including, without limitation, any environmental laws) and any and all other acts, omissions, events, circumstances or matters affecting the Property. As part of the provisions of this Section 1.2, but not as a limitation thereon, Purchaser hereby agrees, represents and warrants that the matters released herein are not limited to matters which are known or disclosed, and Purchaser hereby waives any and all rights and benefits which it now has, or in the future may have conferred upon it, by virtue of the provisions of federal, state or local law, rules and regulations. Purchaser agrees that should any cleanup, remediation or removal of hazardous substances or other environmental conditions on or about the Property be required after the date of Closing, Purchaser shall have no claim against Sellers for such clean-up, removal or remediation.

1.3 Agreement to Convey. PropCo Seller agrees to convey, and Purchaser agrees to accept, title to the Land and Improvements by Special Warranty Deed (the "**Deed**"). OpCo Seller agrees to convey, and Purchaser agrees to accept, title to the Personal Property and Intangible Property by Bill of Sale, and Assignment and Assumption Agreement without warranty as to the title or the condition of such personalty.

2. PRICE AND PAYMENT.

2.1 Purchase Price. Purchaser agrees to pay the Purchase Price for the acquisition of the Property, subject to the terms of this Agreement.

2.2 Payment. Payment of the Purchase Price is to be made in cash as follows:

2.2.1 Pursuant to a separate escrow agreement by and between Purchaser, Seller and the Title Company, prior to the date hereof, Purchaser has delivered the Deposit as an earnest money deposit with the Title Company.

2.2.2 The Deposit is held in escrow by the Title Company, in immediately available funds in an interest-bearing account at a mutually acceptable banking institution. Any interest earned by the Deposit shall be considered as part of the Deposit. Except as otherwise provided in this Agreement, the Deposit will be applied to the Purchase Price at Closing.

2.2.3 Prior to or contemporaneous with the execution hereof by Purchaser and Sellers, Purchaser has paid to Sellers $100.00 (the "**Independent Contract Consideration**"), which amount Sellers and Purchaser bargained for and agreed to as consideration for Sellers' execution and delivery of this Agreement. The Independent Contract Consideration is non-refundable and in addition to any other payment or deposit required by this Agreement, and Sellers shall retain the Independent Contract Consideration notwithstanding any other provision of this Agreement to the contrary.

2.2.4 At Closing, Purchaser shall pay Sellers the balance of the Purchase Price, subject to adjustment for the prorations as provided herein, to the Title Company for disbursement to Sellers via wire transfer in immediately available funds.

2.3 Closing. Payment of the Purchase Price and the closing hereunder (the "**Closing**") will take place pursuant to an escrow closing on or before the Closing Date, provided Purchaser does not terminate this Agreement prior to such date. The Closing will take place electronically at 11:00 a.m. local Dallas time or at such other time and place as may be agreed upon in writing by Sellers and Purchaser. Closing shall occur through an escrow with the Title Company. Funds shall be deposited into and held by the Title Company in a closing escrow account with a bank satisfactory to Purchaser and Sellers. Upon satisfaction or completion of all closing conditions and deliveries, the parties shall direct the Title Company to immediately record and deliver the closing documents to the appropriate parties and make disbursements according to the closing statements executed by Sellers and Purchaser.

3. INSPECTIONS AND APPROVALS.

3.1 Inspections.

3.1.1 Commencing on the Effective Date through the Approval Date, each Seller agrees to allow Purchaser and Purchaser's engineers, architects, employees, agents and representatives (collectively, "**Purchaser's Agents**") reasonable access, during normal business hours, to the Property and to the records, if any, during normal business hours. Such access shall be solely for the purposes of (i) reviewing Residential Agreements and contracts and any records relating thereto; (ii) reviewing records relating to operating expenses; and (iii) inspecting the physical condition of the Property and conducting non-invasive physical or environmental inspections of the Property (the "**Studies**"). Notwithstanding anything contained herein to the contrary, without first obtaining Seller's written consent thereto (which may be withheld in Seller's sole discretion), neither Purchaser nor any Purchaser's Agents shall (1) contact any tenant of the Property, (2) subject to Section 3.1.4 below, notify any governmental agency of any actual or potential violation of any zoning, environmental or other law, rule, or regulation, or (3) conduct any invasive investigation regarding the Property. For the avoidance of doubt, Purchaser shall comply with all applicable laws and regulations, including without limitation, the Health Insurance Portability and Accountability Act of 1996, as amended ("**HIPAA**"), when accessing or reviewing any resident records associated with the Property. Sellers agree to hold Purchaser harmless from all claims, costs or damages, including reasonable attorneys' fees, for damages resulting from Purchaser's reporting of any hazardous substances or HIPAA violations revealed by the Studies only if such reporting is required by applicable law, provided, however, that Purchaser shall provide Sellers with prior written notice of any required reporting and such notice shall include a detailed description of the alleged violation and copies of any relevant documentation evidencing the same.

3.1.2 Purchaser agrees that, in making any Studies, Purchaser and all of Purchaser's Agents entering on the Property shall carry (A) commercial general liability insurance with limits of no less than Two Million Dollars ($2,000,000) per occurrence for bodily injury and property damage and Two Million Dollars ($2,000,000) in the aggregate covering: (i) all activity and conduct of Purchaser and such agents while exercising the right of access provided for in this Agreement; (ii) independent contractors liability; and (iii) contractual liability; (B) commercial automobile insurance whether such automobile is owned, hired, and non-owned with a combined single limit for bodily injury and property damage of no less than One Million Dollars ($1,000,000) per accident; and (C) workers compensation insurance covering statutory benefits applicable in the State in which the Property is located, which policy shall include employers' liability coverage with limits of no less than One Million Dollars ($1,000,000) for each accident, bodily injury by accident, for each employee for bodily injury by disease, and policy limit for bodily injury by disease. All policies, except workers compensation, shall name both Sellers, Invesco and the Property Manager as additional insureds on a primary and non-contributory basis. All policies, including workers compensation, shall provide a waiver of subrogation in favor of both Sellers and Invesco and the Property Manager. Purchaser represents and warrants that it carries the aforementioned insurance which insures Purchaser's indemnity obligations hereunder, and will provide Sellers with written evidence of same prior to entry on the Property. In the event that Purchaser receives any notice from an insurance provider of policy cancellation or material change in the terms of such policy, Purchaser shall immediately notify Sellers of the same.

3.1.3 Purchaser agrees that in exercising its right of access hereunder, Purchaser will use and will cause Purchaser's Agents to use their best efforts not to interfere with the activity of Facility, its residents, or any persons occupying or providing service at the Facility. Purchaser shall, at least forty-eight (48) hours prior to inspection, give Bobby Zeiller at bzeiller@silverstonehc.com and Tami Cumings at tcumings@silverstonehc.com, written notice of its intention to conduct any inspections, so that Sellers shall have an opportunity to have a representative present during any such inspection, and Sellers expressly reserve the right to have such a representative present, including, but not limited to, any discussion with any tenants. Purchaser agrees to cooperate with any reasonable request by Sellers in connection with the timing of any such inspection. Purchaser agrees (which agreement shall survive Closing or termination of this Agreement) to provide Sellers with a copy of any third party reports that it receives in connection with or resulting from its inspection of the Property and work under Section 3.1 hereof.

3.1.4 Unless Sellers specifically and expressly otherwise agrees in writing, Purchaser agrees that (a) the results of all inspections, analyses, studies and similar reports relating to the Property prepared by or for Purchaser utilizing any information acquired in whole or in part through the exercise of Purchaser's inspection rights; (b) all information regarding the Property of whatsoever nature made available to Purchaser by Sellers or their agents or representatives, and (c) the transaction contemplated herein (the "**Proprietary Information**") is confidential and shall not be disclosed to any other person except those assisting Purchaser with the transaction (to the extent such person has a need to review the Proprietary Information for the purpose of advising Purchaser on the suitability of the transaction), or Purchaser's lender, if any, and then only upon Purchaser making such persons aware of the confidentiality restriction. Purchaser agrees not to use or allow to be used any such information for any purpose other than to determine whether to proceed with the contemplated purchase, or if Closing is consummated, in connection with the operation of the Property post-Closing. Purchaser shall use its commercially reasonable efforts to ensure that all persons and entities to whom it discloses Proprietary Information shall keep the same confidential in accordance with the terms of this Agreement and Purchaser shall be responsible for any disclosure or use of Proprietary Information in violation of this Agreement by any person or entity to whom Purchaser discloses any Proprietary Information. Further, if this Agreement is terminated for any reason, Purchaser agrees to return to Sellers, or cause to be returned to Sellers, all Proprietary Information that was provided to Purchaser by Sellers or their agents or representatives. Purchaser acknowledges that the Proprietary Information is of a special, unique, unusual, extraordinary and intellectual character and that the Sellers' interest in the Proprietary Information may be irreparably injured by disclosure of such Proprietary Information in violation of this Agreement. Purchaser further acknowledges and agrees that money damages would not be a sufficient remedy for any breach of this Section 3.1.4 by it and that, in addition to all other remedies available at law or in equity, Sellers shall be entitled to specific performance or injunctive or other equitable relief as a remedy for any breach or potential breach by the Purchaser of this Section 3.1.4 and further agrees to waive any requirement for the securing or posting of any bond in connection with such remedy. Notwithstanding anything to the contrary herein, if Purchaser or any of Purchaser's Agents are required, in the reasonable opinion of Purchaser's counsel, to disclose the results of any Studies by law, regulation, or legal or regulatory process, Purchaser shall: (a) take all reasonable steps to preserve the privileged nature and confidentiality of the Studies, including requesting that the Studies not be disclosed to non-parties or the public; (b) give Seller prompt prior written notice of such request or requirement so that Purchaser may seek an appropriate protective order or other remedy; and (c) reasonably cooperate with Seller to obtain such protective order. In the event that such protective order or other remedy is not obtained, Purchaser will furnish only that portion of the Studies which, on the written advice of Purchaser's counsel acting in a commercially reasonable manner, is legally required to be disclosed and, upon Seller's request, use its commercially reasonable efforts to obtain assurances that confidential treatment will be accorded to such information. The provisions of this Section 3.1.4 shall survive any termination of this Agreement.

3.1.5 Purchaser shall, at its sole cost and expense and in strict accordance with all requirements of applicable law, promptly restore any damage or alteration of the physical condition of the Property which results from Purchaser or any Purchaser's Agent's entrance on the Property or the Studies. These obligations of Purchaser shall in no event be construed to require Purchaser to perform any removal or remediation of any hazardous substances existing on the Property that were merely discovered by Purchaser or Purchaser's Agents, except to the extent the discovery of such hazardous substances were exacerbated or aggravated by Purchaser's or any Purchaser's Agent's activities on the Property. The provisions of this Section 3.1.5 shall survive any termination of this Agreement.

3.1.6 Except as specifically set forth herein, Sellers make no representation or warranty as to the truth, accuracy, completeness, methodology of preparation or otherwise concerning any engineering or environmental reports or any other materials, data or other information supplied to Purchaser in connection with Purchaser's Studies (e.g., that such materials are complete, accurate or the final version thereof, or that such materials are all of such materials as are in each Seller's possession). It is the parties' express understanding and agreement that any materials which Purchaser is allowed to review are provided only for Purchaser's convenience in making its own examination and determination prior to the Approval Date as to whether it wishes to purchase the Property, and, in doing so, Purchaser shall rely exclusively on its own independent investigation and evaluation of every aspect of the Property and not on any materials supplied by Sellers. Purchaser expressly disclaims any intent to rely on any such materials provided to it by Sellers in connection with its inspection and agrees that it shall rely solely on its own independently developed or verified information.

3.1.7 PURCHASER AGREES (WHICH AGREEMENT SHALL SURVIVE CLOSING OR TERMINATION OF THIS AGREEMENT) TO INDEMNIFY, DEFEND, AND HOLD SELLERS, INVESCO REAL ESTATE, SILVERSTONE SENIOR LIVING, LLC AND INVESCO ADVISERS, INC. FREE AND HARMLESS FROM ANY LOSS, INJURY, DAMAGE, CLAIM, LIEN, COST OR EXPENSE, INCLUDING ATTORNEYS' FEES AND COSTS, ARISING OUT OF A BREACH OF THE FOREGOING AGREEMENTS BY PURCHASER IN CONNECTION WITH THE INSPECTION OF THE PROPERTY, OR OTHERWISE FROM THE EXERCISE BY PURCHASER OR PURCHASER'S AGENTS OF THE RIGHT OF ACCESS ON THE PROPERTY (COLLECTIVELY, "**PURCHASER'S INDEMNITY OBLIGATIONS**"). THIS SECTION 3.1.7 SHALL SURVIVE CLOSING OR THE TERMINATION OF THIS AGREEMENT. PURCHASER HEREBY ACKNOWLEDGES AND AGREES THAT IN THE EVENT THAT PRIOR TO THE EFFECTIVE DATE, PURCHASER, OR ANY OF ITS EMPLOYEES, AGENTS, CONTRACTORS, CONSULTANTS, OR OTHER REPRESENTATIVES, HAVE ENTERED ONTO THE PROPERTY TO INSPECT, TEST, SURVEY OR OTHERWISE EXAMINE THE PROPERTY, AND THE RECORDS RELATING THERETO, THE INDEMNITY SET FORTH IN THIS SECTION 3.1.7 OF THIS AGREEMENT SHALL APPLY RETROACTIVELY TO THE DATE OF SUCH INSPECTIONS, TESTING, SURVEYING, AND EXAMINATION.

3.1.8 Purchaser shall keep the Property free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Purchaser or Purchaser's Agents with respect to any inspection or testing of the Property in connection with the Studies. If any such lien shall at any time be filed, Purchaser shall cause the same to be discharged of record within thirty (30) days after knowledge by Purchaser thereof by satisfying the same or, if Purchaser, in good faith, determines that such liens should be contested, by obtaining a bond. Failure by Purchaser to discharge such lien or obtain such bond within said thirty (30) day period shall be a material breach of this Agreement and shall entitle Seller, at its option and in addition to any other remedy Seller may have under Section 11.1 hereof, at law, in equity or by contract, immediately to declare this Agreement to be terminated. The provisions of this Section 3.1.8 shall survive any termination of this Agreement.

3.1.9 Purchaser understands that any financial statements and data, including, without limitation, gross rental income, operating expenses and cash flow statements, which may be made available by Sellers to Purchaser, will be unaudited financial statements and data not prepared or reviewed by independent public accountants, and that Sellers make no representation as to the accuracy or completeness thereof.

3.2 Title and Survey.

3.2.1 Prior to or contemporaneously with execution of this Agreement, Sellers have caused to be delivered to Purchaser a commitment for title insurance on the Land, together with copies of all items shown as exceptions to title therein, issued by the Title Company (the "**Title Commitment**"), which Title Commitment shall contain a commitment by the Title Company to issue to Purchaser a title insurance policy on an extended coverage ALTA Owner's form (the "**Title Policy**"). At Closing, Sellers will execute and deliver the title affidavit and the gap indemnity attached as ***Exhibit 9.2.8***. Prior to the Approval Date, Purchaser may also obtain an ALTA survey of the Property (the "**Survey**"), upon which Purchaser shall promptly provide a copy of the same to Sellers. Purchaser shall have until the Title Notice Date to provide written notice to Sellers of any matters shown by the Title Commitment or Survey which are not satisfactory to Purchaser, which notice (the "**Title Notice**") must specify the reason such matter(s) are not satisfactory and the curative steps necessary to remove the objections stated in the Title Notice (collectively, the "**Title Objections**"). In the event Sellers are unable or unwilling to eliminate or modify all of the Title Objections, Sellers shall so notify Purchaser in writing on or before the Approval Date, and Purchaser may (as its sole and exclusive remedy) terminate this Agreement by delivering written notice thereof to Sellers not later than the Approval Date. Except with regard to Mandatory Cure Items (hereinafter defined), which must be cured by Sellers, Sellers shall have no obligation whatsoever to expend or agree to expend any funds, to undertake or agree to undertake any obligations or otherwise to cure or agree to cure any Title Objections, and Sellers shall not be deemed to have any obligation to cure unless Sellers expressly undertake such an obligation by a written notice to or written agreement with Purchaser given or entered into on or prior to the Closing Date and which recites that it is in response to the Title Notice. Purchaser's sole right with respect to any Title Objection shall be to elect on or before the Approval Date to terminate this Agreement (other than continuing obligations under Sections 3.1.4 and 3.1.7 that survive the Closing or termination of this Agreement) (herein called the "**Surviving Obligations**") and to receive a refund of the Deposit. All matters shown on the Title Commitment and/or Survey and any update thereof with respect to which Purchaser fails to give a Title Notice on or before the last date for so doing, or with respect to which a timely Title Notice is given but Sellers fail to undertake an express obligation to cure as provided above, shall be deemed to be approved by Purchaser and a "**Permitted Encumbrance**" as provided in Section 3.4 hereof, subject, however, to Purchaser's termination right provided in Section 3.5 hereof.

3.2.2 Notwithstanding any provision of this Article 3.2 to the contrary, Seller shall at or before Closing remove, and at Closing convey title free of the following, each of which is a "**Mandatory Cure Item**": (1) any mortgage on the Property granted by Seller, and (2) all mechanics' liens, judgment liens, or other items securing any obligation to pay money that were consensually granted or affirmatively assumed by Seller. Notwithstanding anything to the contrary in this Agreement, Purchaser shall have no obligation to raise Mandatory Cure Items as objections in order to require their cure. Seller shall in no event have a right to refuse to cure a Mandatory Cure Item.

3.2.3 Purchaser and Seller acknowledge that the Property is or will become subject to that certain Declaration of Covenants, Conditions and Restrictions by Potomac Yard Development, LLC, a Delaware limited liability company, dated May 22, 2007, as amended ("**Declaration**"), Reciprocal Easement Agreement by and between Potomac Yard Retail, Inc. and Crescent Potomac Yard Development, LLC, dated March 22, 2001, as amended ("**REA**"), Condominium Instruments for Land Bay H West Condominium, dated June 25, 2021, as amended ("**Condominium Documents**"), and Development Agreement by and between Potomac Yard Development, LLC, a Delaware limited liability company, dated May 22, 2007, as amended ("**Development Agreement**"). Seller shall use commercially reasonable efforts to obtain (a) an estoppel certificate from the Potomac Yard Homeowners Association, Inc. under the Declaration; (b) an estoppel certificate under the REA; and (c) an estoppel certificate under the Development Agreement (collectively, the "**Title Estoppels**"); provided, however, Purchaser acknowledges and agrees that none of the Title Estoppels shall be deemed a condition precedent to Purchaser's obligation to close under Article 9 herein, nor shall Seller's failure to obtain the Title Estoppels be deemed a default by Seller under Article 12 herein so long as Seller uses commercially reasonable efforts to obtain the same. Notwithstanding the foregoing, at or prior to Closing, Purchaser shall have received an estoppel certificate from the Land Bay H Condominium Unit Owners' Association, Inc. under the Condominium Documents (the "**Condo Estoppel**").

3.3 Contracts. On or before the Approval Date, Purchaser shall notify Sellers in writing if Purchaser elects not to assume at Closing any of the service, maintenance, supply or other contracts relating to the operation of the Property which are identified on ***Exhibit 3.3*** attached hereto. If Purchaser does not exercise its right to terminate this Agreement on or before the Approval Date, the applicable Seller shall give notice of termination of such disapproved contract(s); provided, if by the terms of the disapproved contract the applicable Seller has no right to terminate same on or prior to Closing, or if any fee or other compensation is due thereunder as a result of such termination, Purchaser shall be required at Closing to assume all obligations thereunder until the effective date of the termination, provided, however, Purchaser shall reimburse Seller for the payment of the termination charge.

3.4 Permitted Encumbrances. Unless Purchaser terminates this Agreement pursuant to Sections 3.2 or 3.5 hereof following its opportunity fully to inspect the Property, the state of title thereto and all other matters relating to the Property, including its feasibility for Purchaser's intended use and its suitability as an investment, Purchaser shall be deemed to have approved and to have agreed to purchase the Property subject to the terms and conditions in the Deed. In addition, Purchaser shall be deemed to have approved and to have agreed to purchase the Property subject to the following:

3.4.1 All exceptions to title shown in the Title Commitment or matters shown on the Survey which Purchaser has approved or is deemed to have approved pursuant to Section 3.2 hereof;

3.4.2 All contracts and residential agreements which Purchaser has approved or is deemed to have approved pursuant to Sections 3.3, 4.3 and 4.4 hereof;

3.4.3 The lien of non-delinquent real and personal property taxes and assessments; and

3.4.4 Rights of possession of the residents under the Residential Agreements. All of the foregoing in Sections 3.4.1 through 3.4.4 are referred to herein collectively as "**Permitted Encumbrances**."

3.5 Purchaser's Right to Terminate. If, as a result of its various investigations, Purchaser determines, in its sole discretion, not to proceed with the purchase of the Property, Purchaser shall have the right by giving Sellers written notice (the "**Termination Notice**") on or before the Approval Date to terminate its obligation to purchase the Property. If the Termination Notice is timely given, Sellers shall direct the Title Company to promptly return the Deposit to Purchaser and neither party shall have any further liability hereunder except for the Surviving Obligations. If the Termination Notice is not given, Purchaser shall have no further right to terminate this Agreement except as provided under Section 10.2 hereof.

3.6 Delivery of Title Policy at Closing. As a condition to Purchaser's obligation to close, the Title Company shall deliver to Purchaser at Closing the Title Policy issued by the Title Company as of the date and time of the recording of the Deed, in the amount of the Purchase Price, insuring Purchaser as owner of marketable fee simple title to the Property, and subject to the Permitted Encumbrances. PropCo Seller shall execute at Closing the owner's affidavit and gap indemnity agreement attached hereto as ***Exhibit 9.2.8*** to facilitate the issuance of the Title Policy (but not additional matters required for any endorsements required by Purchaser). The Title Policy may be delivered after the Closing if at the Closing the Title Company issues a currently effective, duly-executed "marked-up" Title Commitment and irrevocably commits in writing to issue the Title Policy in the form of the "marked-up" Title Commitment promptly after the Closing Date. Purchaser may elect to obtain additional coverage or endorsements to the Title Policy at Purchaser's sole cost and expense but obtaining such additional coverage or endorsements shall not be a condition precedent to Purchaser's Closing obligations under this Agreement.

3.7 New Management Agreement. Purchaser, or Purchaser's designated affiliates (including, if applicable, the TRS Lessee (as defined below)), shall use good faith efforts to negotiate a new property/operations management agreement for the Property with Manager (as defined below) (the "**New Management Agreement**"), to be effective as of the Closing Date, providing that Manager will manage the Property upon Closing. The parties acknowledge that Purchaser intends for the New Management Agreement to constitute a RIDEA Management Agreement and to be entered into with an Eligible Independent Contractor (as such terms are described in the RIDEA/TRS Structure Provisions below). Accordingly, the New Management Agreement should include customary provisions evidencing that Manager is acting as an independent contractor (and not as an agent) and that nothing therein is intended to create a partnership or joint venture between the real estate owner and Manager. Notwithstanding the foregoing, this Section 3.7 and the execution and delivery of the New Management Agreement shall not be a condition to Purchaser's obligations under this Agreement.

4. SELLERS COVENANTS FOR PERIOD PRIOR TO CLOSING. Until Closing, the applicable Seller or its agent shall:

4.1 Insurance. Keep the Property insured under its current or comparable policies against fire and other hazards covered by extended coverage endorsement and commercial general liability insurance against claims for bodily injury, death and property damage occurring in, on or about the Property.

4.2 Operation. Operate and maintain the Property and the Facility substantially in accordance with Seller's past practices with respect to the Property and Facility, normal wear and tear excepted.

4.3 New Contracts. Enter into only those third-party service contracts which are necessary to carry out its obligations under Section 4.2 and which shall be cancelable on thirty

(30) days' written notice or do not exceed Twenty-Five Thousand and No/100 Dollars ($25,000.00) in annual contract value. If either Seller enters into any such contract, it shall promptly provide written notice thereof to Purchaser and unless Purchaser, within three (3) days thereafter, notifies Seller in writing of its intention to not assume such contract, it shall be treated as a contract approved by Purchaser under Section 3.3 hereof.

4.4 Residential Agreements.

4.4.1 OpCo Seller may continue to execute new residential agreements or amend, terminate or accept the surrender of any existing agreements without the prior consent of Purchaser in accordance with OpCo Seller's past practices. If such residential agreement does not align with OpCo Seller's past practices, Seller may request approval from Purchaser to enter into such residential agreement. If Purchaser does not notify OpCo Seller of its approval or disapproval of the terms and conditions of such residential agreement within two (2) business days after OpCo Seller sends such terms and conditions to Purchaser, then Purchaser shall be deemed to have approved such terms and conditions and OpCo Seller may enter into a written agreement in accordance with such terms and conditions.

4.4.2 The Residential Agreements are, under Virginia law, excluded from the Property. OpCo Seller shall terminate all Residential Agreements in effect as of the Closing Date on the Closing Date, or, in the event the parties enter into the Interim Management Agreement (as hereinafter defined) and Interim Sublease Agreement (as hereinafter defined) at Closing in accordance with Section 10.3.2, Seller shall terminate all Residential Agreements in effect as of the date of receipt of the New Assisted Living License on the date of receipt of the New Assisted Living License, and Purchaser or Purchaser's operator shall enter into new residency agreements with the residents of the Facility as of the Closing Date or as of the date of receipt of the New Assisted Living License, as applicable, in compliance with 22VAC40-73-390 (the "**New Residency Agreements**"). Seller shall reasonably cooperate with Purchaser to provide Purchaser with access to all Residential Agreements at the Facility prior to Closing and, upon request, shall reasonably cooperate to help facilitate Purchaser's or Purchaser's operator's execution of the New Residency Agreements with the residents of the Facility as of the Closing Date or as of the date of receipt of the New Assisted Living License, as applicable. Purchaser shall, or shall cause Purchaser's operator to, use commercially reasonable efforts to promptly prepare and, to the extent permitted by applicable law, execute the New Residency Agreements with the residents in advance to be dated effective as of the Closing Date or the date of receipt of the New Assisted Living License, as applicable. For avoidance of doubt, Purchaser's ability to prepare, execute and deliver the New Residency Agreements shall not be a condition to Closing hereunder.

4.4.3 Except for Personal Property depleted and replaced in the ordinary course, Sellers shall not sell, lease or otherwise dispose of or distribute any of the Personal Property, Intangible Property or other assets related thereto or necessary for operation of the Facility and, to the extent depleted or replaced in the ordinary course, Sellers shall restock and replenish any portion of the Personal Property, Intangible Property or other assets consumed or used between the Effective Date and the Closing Date with Personal Property, Intangible Property or other assets of equal or superior quality.

4.5 Exclusivity. From the Effective Date through the Closing or earlier termination of this Agreement (the "**Exclusivity Period**"), PropCo Seller shall not enter into any agreement to sell the Property to any person or entity other than Purchaser; provided, however, that nothing in this Section shall (x) restrict the ordinary course of business and operations of Sellers and the Property, including, without limitation, entering into resident agreements in accordance with the express terms of this Agreement, or (y) prohibit Sellers or their affiliates or respective officers, directors, employees, agents or representatives from responding to unsolicited inquiries or from maintaining existing virtual data rooms so long as no new negotiations are initiated during the Exclusivity Period.

5. REPRESENTATIONS AND WARRANTIES.

5.1 By Sellers. Sellers represent and warrant to Purchaser as follows:

5.1.1 Each Seller is duly organized and validly existing under the laws of the State in which it was organized, is authorized to do business in the State in which the Land is located, has duly authorized the execution and performance of this Agreement, and such execution and performance will not violate any material term of its articles of incorporation or bylaws.

5.1.2 To each Seller's actual knowledge, performance of this Agreement will not result in any breach of, or constitute any default under, or result in the imposition of any lien or encumbrance upon the Property under, any agreement to which such Seller is a party.

5.1.3 Sellers are not a "foreign person" within the meaning of Sections 1445 and 7701 of the Internal Revenue Code of 1986, as amended (hereinafter, the "**Code**").

5.1.4 Each Seller has obtained all required consents and approvals required for the execution and consummation of this Agreement, the closing documents and all transactions contemplated hereby and thereby.

The representations and warranties set forth in this Section 5.1 shall survive the Closing in accordance with Section 12.16 hereof.

Purchaser and Seller acknowledge that SSL Investment Partners L.P., an affiliate of Common Member ("**SSL**"), and XRN Alexandria II LLC, an affiliate of Purchaser ("**XRN**"), are parties to that certain PSA Side Letter Agreement dated on or about the date hereof (the "**Side Letter Agreement**"), pursuant to which SSL made certain representations regarding the Property to XRN, a correct and complete copy of which Purchaser has delivered to Seller. For avoidance of doubt, the Side Letter Agreement shall not be deemed incorporated in or a part of this Agreement, and a default under the Side Letter Agreement shall not be deemed a default under this Agreement. In the event that any representation contained in the Side Letter Agreement made by SSL which is true as of the date made becomes untrue after the Approval Date but prior to Closing, through no act or omission of Purchaser or SSL, and such breach causes material damages to Purchaser reasonably estimated to exceed $2,600,000.00, then Purchaser shall provide written notice to Seller of such breach within two (2) business days of Purchaser's discovery thereof. Upon receipt of such notice, Seller may, at Seller's option in Seller's sole discretion, elect to remedy such representation prior to Closing. If Seller elects not to cure or fails to cure as of Closing, Purchaser may, as its sole and exclusive remedy, elect to terminate this Agreement by written notice to Seller, whereupon the Deposit shall be returned to Purchaser and both parties shall be relieved of all further obligations hereunder, except for those obligations that expressly survive termination or Closing.

5.2 By Purchaser. Purchaser represents and warrants to Sellers as follows:

5.2.1 Purchaser is duly organized, validly existing and in good standing under the laws of the State in which it was organized, is authorized to do business in the State in which the Land is located, has duly authorized the execution and performance of this Agreement, and such execution and performance will not violate any material term of its organizational documents.

5.2.2 Purchaser is acting as principal in this transaction with authority to close the transaction.

5.2.3 No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under federal or state bankruptcy laws is pending against or contemplated by Purchaser.

5.2.4 Purchaser acknowledges that, by the Closing Date, Purchaser will have had sufficient opportunity to inspect the Property fully and completely at its expense in order to ascertain to its satisfaction the extent to which the Property complies with applicable zoning, building, environmental, health and safety and all other laws, codes and regulations.

5.2.5 Purchaser acknowledges that, by the Closing Date, Purchaser will have had sufficient opportunity to review the Residential Agreements, contracts, expenses and other matters relating to the Property in order to determine, based upon its own investigations, inspections, tests and studies, whether to purchase the Property and to assume OpCo Seller's obligations with respect to the residents, contracts and otherwise with respect to the Property.

5.2.6 Purchaser will not use the assets of an employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 ("**ERISA**") and covered under Title I, Part 4 of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended, in the performance or discharge of its obligations hereunder, including the acquisition of the Property. Purchaser will not assign its interest hereunder to any person or entity which does not expressly make this covenant and warranty for the benefit of Sellers.

The representations and warranties set forth in this Section 5.2 shall survive the Closing.

5.3 Mutual. Each Seller and Purchaser represents to the other that it has had no dealings, negotiations, or consultations with any broker, representative, employee, agent or other intermediary in connection with the Agreement or the sale of the Property, except for Broker, who will be paid by Invesco upon the Closing of the transaction contemplated hereby and not otherwise, pursuant to a separate written agreement between Invesco and Broker. Said commission shall in no event be earned, due or payable unless and until the transaction contemplated hereby is closed and fully consummated strictly in accordance with the terms and conditions of this Agreement and Sellers have actually received the Purchase Price in immediately available funds. Sellers and Purchaser agree that each will indemnify, defend and hold the other free and harmless from the claims of any other broker(s), representative(s), employee(s), agent(s) or other intermediary(ies) claiming to have represented Sellers or Purchaser, respectively, or otherwise to be entitled to compensation in connection with this Agreement or in connection with the sale of the Property. The terms and provisions of this paragraph shall survive Closing hereunder.

5.4 Purchaser Acknowledgment of Common Ownership; Limited Recourse for Property and Operational Representations. Purchaser hereby acknowledges and agrees that an affiliate of Silverstone Senior Living, LLC (the "**Common Member**") is a member of both (i) as of the Effective Date and the Closing Date, OpCo Seller and PropCo Seller or their direct or indirect parent entity and (ii) as of the Closing Date, Purchaser or its assignee's direct or indirect parent entity. By virtue of the Common Member's ownership interest in Sellers, Purchaser acknowledges that the Common Member has direct access to all material information concerning the Property, the Facility, and the operations conducted thereon, including without limitation financial performance, regulatory compliance, licensing matters, resident census and acuity, staffing, physical condition of the Property, and all other operational and property-level matters ("**Property and Operational Matters**"). Accordingly, Purchaser hereby acknowledges and agrees that: (i) all representations and warranties made by Sellers herein with respect to Property and Operational Matters are expressly qualified by any information, facts, circumstances, or conditions that are within the knowledge of the Common Member, which knowledge is hereby imputed to Purchaser in its entirety for all purposes under this Agreement, and (ii) Purchaser shall have no recourse against Sellers with respect to such matters known to the Common Member. Nothing in this Section shall be construed to limit or affect any representations, warranties, or covenants expressly made by Sellers in this Agreement with respect to Sellers' authority, organization, or due authorization to enter into and consummate the transactions contemplated herein (i.e., customary "seller entity" representations), which shall remain in full force and effect in accordance with the terms of this Agreement. The provisions hereof shall survive Closing.

6. COSTS AND PRORATIONS.

6.1 Purchaser's Costs. Purchaser shall pay the following costs of closing this transaction:

6.1.1 The fees and disbursements of its counsel, inspecting architect and engineer and any other consultants engaged by Purchaser, if any;

6.1.2 Purchaser's portion of all taxes and fees as detailed on ***Exhibit 6.1*** attached hereto and made part hereof;

6.1.3 Any and all sales or use taxes relating to the transfer of personal property to Purchaser;

6.1.4 The cost of any owner's title insurance policy in the amount of the Purchase Price, any premium charges, extended coverage or special endorsements, including, any additional premium charge(s) for endorsements and/or deletion(s) of exception items and any cancellation charge(s) imposed by any title company in the event a title insurance policy is not issued, unless caused by willful default of Sellers hereunder;

6.1.5 All recording costs not described in Section 6.2.1 below;

6.1.6 Fifty percent (50%) of any escrow or closing charges of the Title Company;

6.1.7 Any other expense(s) incurred by Purchaser or its representative(s) in inspecting or evaluating the Property or closing this transaction; and

6.1.8 All costs relating to the Survey, including, without limitation, its initial preparation and any update, recertification or changes thereto.

6.2 Seller's Costs. Sellers shall pay the following costs of closing this transaction:

6.2.1 The cost of recording any releases to any exceptions to title that are not Permitted Encumbrances, including any Mandatory Cure Items;

6.2.2 Fifty percent (50%) of any escrow or closing charges of the Title Company;

6.2.3 The fees and disbursements of Sellers' counsel; and

6.2.4 Sellers' portion of all taxes and fees as detailed on ***Exhibit 6.1*** attached hereto and made part hereof.

6.3 Prorations. The following shall be prorated as of the Closing Date and be adjusted against the Purchase Price due at Closing: (a) any and all amounts actually collected from residents under the Residential Agreements as of the Closing Date, as more particularly set forth in Section 9.6 below; (b) personal property taxes, installment payments of special assessment liens, sewer charges, utility charges (utility charges shall be prorated based on the last reading of meters prior to Closing performed at Sellers' request, if possible) and normally prorated operating expenses actually billed or paid as of the Closing Date; and (c) amounts owed by Sellers or paid under the contracts described in Section 3.3 hereof as of the Closing Date. In addition, Seller shall obtain a credit against the Purchase Price at Closing in the amount of any rents which are less than forty-five (45) days past due. Pursuant to Section 9.9 hereof, within 90 days after the Closing, Purchaser and Sellers will make a further adjustment for such rents, taxes or charges which may have accrued or been incurred prior to the Closing Date, but not billed or paid at that date; such obligations shall survive the Closing.

6.4 Taxes. General real estate taxes and special assessments relating to the Property payable during the year in which Closing occurs shall be prorated as of the Closing Date. If Closing shall occur before the actual taxes and special assessments payable during such year are known, the apportionment of taxes shall be upon the basis of taxes for the Property payable during the immediately preceding year, provided that, if the taxes and special assessments payable during the year in which Closing occurs are thereafter determined to be more or less than the taxes payable during the preceding year (after any appeal of the assessed valuation thereof is concluded), Sellers and Purchaser shall promptly within thirty (30) days of receipt of the final tax bill for year of Closing (except in the case of an ongoing tax protest) shall adjust the proration of such taxes and special assessments, and Sellers or Purchaser, as the case may be, shall pay to the other any amount required as a result of such adjustment and this covenant shall not merge with the deed delivered hereunder but shall survive the Closing.

6.5 In General. Any other costs or charges of closing this transaction not specifically mentioned in this Agreement shall be paid and adjusted in accordance with local custom in the County in which the Land is located. All prorations shall be made on a 365-day calendar year basis, based on the actual number of days in the applicable month.

6.6 Purpose and Intent. Except as expressly provided herein, the purpose and intent as to the provisions of prorations and apportionments set forth in this Section 6 and elsewhere in this Agreement is that Sellers shall bear all expenses of ownership and operation of the Property and shall receive all income therefrom accruing through midnight at the end of the day preceding the

Closing Date and Purchaser shall bear all such expenses and receive all such income accruing thereafter.

7. DAMAGE, DESTRUCTION OR CONDEMNATION.

7.1 Material Event. If, prior to Closing, the number of parking spaces on the Property are reduced by ten percent (10%) or more, the buildings are damaged and the cost of repair exceeds $5,000,000.00 (as determined by Sellers and their contractors in consultation with Purchaser) or all access to the Property is rendered completely unusable, or is destroyed or taken under power of eminent domain and the cost or repair exceeds $5,000,000.00 (as determined by Sellers and their contractors in consultation with Purchaser) (a "**Material Event**"), Purchaser may elect to terminate this Agreement by giving written notice of its election to Sellers within seven (7) days after receiving notice of such destruction or taking. If Purchaser does not give such written notice within such seven (7) day period, this transaction shall be consummated on the Closing Date and at the Purchase Price provided for in Section 2, and the applicable Seller will assign to Purchaser the physical damage proceeds of any insurance policy(ies) payable to such Seller, or such Seller's portion of any condemnation award, in both cases, up to the amount of the Purchase Price, and, if an insured casualty, pay to Purchaser the amount of any deductible but not to exceed the amount of the loss.

7.2 Immaterial Event. If, prior to Closing, the Property is subject to a casualty or a condemnation event that is not a Material Event, Purchaser shall close this transaction on the date and at the Purchase Price agreed upon in Section 2, and Sellers will assign to Purchaser the physical damage proceeds of any insurance policies payable to Sellers, or Sellers' rights to any portion of any condemnation award, in both cases, up to the amount of the Purchase Price and, if an insured casualty, pay to Purchaser the amount of any deductible but not to exceed the amount of the loss.

7.3 Termination and Return of Deposit. If Purchaser elects to terminate this Agreement pursuant to this Section 7, and if Purchaser is not, on the date of such election, in default under the Agreement, Sellers shall promptly direct the Title Company to return the Deposit to Purchaser, and neither party shall have any further liability hereunder except for the Surviving Obligations.

8. NOTICES. Any notice required or permitted to be given hereunder shall be deemed to be given when (i) hand delivered or (ii) one (1) business day after pickup by overnight express service, or (iii) the date of transmission if by facsimile or email (only as provided below and if sent by email, then the email must be sent with a read receipt requested and/or delivery confirmation and the description line must contain the following: "The Landing Community – EMAIL CONSTITUTES NOTICE UNDER PSA") in any such case addressed to the parties at their respective addresses referenced below:

IF TO SELLERS:	SILVERSTONE ALEXANDRIA, LP c/o Invesco Advisers, Inc. 2300 N. Field Street, Suite 1200 Dallas, Texas 75201

Attention: Heather Douglass
Telephone: (972) 715-7439
Email: *****

And

SILVERSTONE ALEXANDRIA, LP
c/o Silverstone Senior Living, LLC
3710 Rawlins Street, Suite 800
Dallas, Texas 75219 Attention: Matt Aubé
E-mail: *****

And

Attention: Robert H. Zeiller
E-mail: *****

<u>WITH A COPY TO:</u>	Invesco Advisers, Inc. 2300 N. Field Street, Suite 1200 Dallas, Texas 75201 Attention: Keisha McGriff Telephone: (972) 715-5873 Fax: (972) 715-5811 Email: *****
<u>WITH A COPY TO:</u>	Greenberg Traurig LLP Greenberg Traurig, P.A. 333 S.E. 2nd Avenue, Miami, FL 33131 Attention: Richard Giusto, Esq. Telephone: (305) 579-0559 Fax: (305) 961-5559 Email: *****

WITH A COPY TO: Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attention: Meredith Brewster
E-mail: *****

And

Attention: Kim Trapani
E-mail: *****

WITH A COPY TO: Compatriot Capital, Inc.
8235 Douglas Ave., 10th Floor
Dallas, Texas 75225
Attention: Thomas H. Sharpe
Email: *****

And

Attention: Austin C. Whitmore, Esq.
E-mail: *****

IF TO PURCHASER: XRN ALEXANDRIA II LLC
7373 Wisconsin Avenue, Suite 800
Bethesda, Maryland 20814
Attention: Jamie Barber
Email: *****

WITH A COPY TO: Taft Stettinius & Hollister LLP
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034
Attn: Joseph Lash, Bill Sider, and Steven Ryan
Email: *****

IF TO TITLE COMPANY: Stewart Title and Escrow Inc.
1707 L Street NW, Suite 500
Washington, D.C. 20036
Attention: Ericka Micciche
Telephone: 443-220-0001
Email: *****

or in each case to such other address as either party may from time to time designate by giving notice in writing to the other party. Except for facsimile and email notices sent between 9:00 a.m. and 5:00 p.m. Dallas time on a business day, telephone and facsimile numbers and email addresses are for informational purposes only. Effective notice will be deemed given only as provided above.

Notices on behalf of the respective parties may be given by their attorneys and such notices shall have the same effect as if in fact given by the party on whose behalf it is given.

9. CLOSING AND ESCROW.

9.1 Escrow Instructions. Upon execution of this Agreement, the parties shall deliver an executed counterpart of this Agreement to the Title Company to serve as the instructions to the Title Company as the escrow holder for consummation of the transaction contemplated herein. Sellers and Purchaser agree to execute such additional and supplementary escrow instructions as may be appropriate to enable the Title Company to comply with the terms of this Agreement; provided, however that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of the Agreement shall prevail.

9.2 Sellers' Deliveries. The applicable Seller shall deliver either at the Closing or by making available at the Property, as appropriate, an electronically signed copy (unless otherwise noted or required by the Title Company) of the following documents, each executed and, if required, acknowledged:

9.2.1 An original Special Warranty Deed to the Property, in the form attached hereto as ***Exhibit 9.2.1***.

9.2.2 A Bill of Sale and Assignment and Assumption Agreement in the form attached hereto as ***Exhibit 9.2.2***.

9.2.3 A current, uncertified listing of any resident security deposits and prepaid rents held by Sellers with respect to the Residential Agreements.

9.2.4 Copies of all contracts relating to the Property which Purchaser has elected to assume or which are not terminable by Sellers on or before the Closing Date.

9.2.5 All books and records at the Property held by or for the account of Sellers, including, without limitation, plans and specifications, as available.

9.2.6 An affidavit pursuant to the Foreign Investment and Real Property Tax Act in the form attached hereto as ***Exhibit 9.2.6***.

9.2.7 A letter notifying tenants of the conveyance of the Property in the form attached hereto as ***Exhibit 9.2.7***.

9.2.8 A duly executed owner's affidavit and gap indemnity agreement in the form attached hereto as ***Exhibit 9.2.8***.

9.2.9 The Operating Lease Termination (hereinafter defined).

9.2.10 The Management Agreement Termination (hereinafter defined).

9.2.11 The Bridging Documents.

9.2.12 Closing Statement.

9.3 Purchaser's Deliveries. At the Closing, Purchaser shall (i) pay to Sellers the Purchase Price, and (ii) execute the agreements referred to in Sections 9.2.2, 9.2.7, 9.2.11, and 9.2.12.

9.4 Possession. Purchaser shall be entitled to possession of the Property upon conclusion of the Closing.

9.5 Insurance. Sellers shall terminate their policies of insurance as of noon on the Closing Date, and Purchaser shall be responsible for obtaining its own insurance thereafter.

9.6 Post-Closing Collection of Rents. With respect to the proration of any resident rents or other amounts due to OpCo Seller under the Residential Agreements for the period prior to Closing (the "**Rents**") collected by OpCo Seller up to the Closing Date which are allocable to the period from and after the Closing Date shall be paid by OpCo Seller to Purchaser at Closing. As for Rents allocable to the calendar month in which the Closing Date occurs (the "Closing Month"): (a) Purchaser and OpCo Seller shall prorate, on an accrual basis, the total unpaid Rents for otherwise current residents of the Facility allocable to the Closing Month based upon the number of days in the Closing Month and Purchaser shall provide a credit to OpCo Seller equal to OpCo Seller's pro rata share of such unpaid Rents, and (b) OpCo Seller shall provide a credit to Purchaser equal to Purchaser's pro rata share of the Rents collected by OpCo Seller for the Closing Month. There shall be no credit granted by Purchaser to OpCo Seller at Closing for delinquent Rents for periods prior to the Closing Month. As of the Closing Date, Sellers shall not have the right to pursue collection, through litigation or otherwise, of any unpaid Rents. At Closing, Sellers shall assign and transfer to Purchaser its rights to receive all such Rents and Sellers shall have no further rights following Closing with respect to such Rents. Purchaser has no obligation to collect any past due Rent and shall have the right to pursue (or not pursue) collection, discount, or eliminate any past due Rent in its sole and absolute discretion. To the extent Purchaser collects any Rents allocable to the period prior to the Closing Date during the ninety (90) day period immediately following the Closing, including any past due Rent, Purchaser shall apply such rents or other amounts received, first for the account of Purchaser for amounts currently due to Purchaser; second, to OpCo Seller for any and all amounts due to OpCo Seller for periods prior to Closing; and the balance to be retained by Purchaser. This Section shall survive the Closing.

9.7 Termination of Operating Lease. At Closing, Sellers shall terminate the Operating Lease and Sellers shall deliver, or cause to be delivered, to Purchaser a copy of the termination agreement (the "**Operating Lease Termination**") terminating the Operating Lease effective as of the Closing Date. From and after the Closing Date, neither OpCo Seller nor PropCo Seller shall have any further rights, obligations, or liabilities under the Operating Lease, except for those obligations that expressly survive termination pursuant to the terms of the Operating Lease. Sellers shall be solely responsible for any costs, liabilities, or obligations arising under or related to the Operating Lease through and including the Closing Date.

9.8 Termination of Management Agreement. At Closing, the Management and Marketing Services Agreement, dated as of May 26, 2023, by and between OpCo Seller and Property Manager, as amended from time to time (the "**Management Agreement**"), shall be terminated and of no further force or effect. At or prior to Closing, OpCo Seller shall deliver to Purchaser a copy of the termination agreement executed by both OpCo Seller and Manager, (the "**Management Agreement Termination**"), terminating the Management Agreement effective as of the Closing Date. From and after the Closing Date, neither OpCo Seller nor Manager shall have any further rights, obligations, or liabilities under the Management Agreement, except for those obligations that expressly survive termination pursuant to the terms of the Management Agreement.

9.9 Post-Closing Reconciliation. Within sixty (60) days after the Closing Date, representatives of Purchaser shall prepare and deliver to Seller a proposed initial statement of reconciliation itemizing the following: (i) all costs, charges and expenses paid by one party with respect to the Facility that are properly allocable to the other party; and (ii) all Rents, service fees, and, to the extent applicable, reimbursement from any third-party payor actually collected by either party with respect to the Facility (the "**Initial Reconciliation**") and to whom such fees should be properly allocated. The Initial Reconciliation shall include appropriate detail to identify the items being adjusted and shall provide documentation evidencing all expenses, costs, charges, service fees and Rents. Promptly following Purchaser's request, Seller shall use commercially reasonable efforts to deliver all information and documents reasonably requested by Purchaser in connection with its preparation of the Initial Reconciliation and the Final Reconciliation (defined below) statements. A final reconciliation of all expenses, costs, charges, service fees and Rents shall be prepared by Purchaser and delivered to Seller within ninety (90) days after the Closing Date (the "**Final Reconciliation**"). Throughout the period leading up to the Initial Reconciliation and the Final Reconciliation, each party shall provide to the other party any information it may receive regarding the revenue and expense items described in subparagraphs (i) and (ii) of this Section 9.9. The Final Reconciliation shall appropriately reflect the net amount owed to Purchaser or to Seller as a result of such reconciliation. After approval of the Final Reconciliation by both parties, the party determined to owe cash as a result of such Final Reconciliation shall promptly pay such cash to the other party. If Purchaser and Seller cannot agree upon a Final Reconciliation, then the determination of a Final Reconciliation shall be made by an independent CPA firm mutually selected by Purchaser and Seller, whose determination shall be binding upon Purchaser and Seller. The party who does not prevail in the dispute resolution shall also pay the fees and costs of the CPA firm.

10. LICENSES AND EMPLOYEES.

10.1 Liquor License. ***Exhibit 10.1*** sets forth a true, correct and complete list of all licenses relating to the sale and/or service of liquor at the Facility (the "**Liquor License**"). Except as otherwise set forth in Section 10.3, Purchaser hereby acknowledges and agrees that pursuant to Virginia law the existing Liquor License shall terminate at Closing and Purchaser shall be solely responsible for obtaining a new liquor license for the Facility issued by the issued by the Virginia Alcoholic Beverage Control Authority for the benefit of Purchaser or its designee (the "**New Liquor License**") and a Continuation of Operations Permit authorizing Purchaser to temporarily operate the Facility under the Liquor License (the "**Continuation of Operations Permit**").

10.2 Assisted Living Facility License. ***Exhibit 10.2.2*** sets forth a complete list of all assisted living licenses relating to the operation of the Facility (the "**Assisted Living License**").

Except as otherwise set forth in Section 10.3, Purchaser hereby acknowledges and agrees that pursuant to Virginia law the Assisted Living License shall terminate at Closing and Purchaser shall be solely responsible for obtaining a new Assisted Living License issued by the Virginia Department of Social Services benefiting Purchaser or its designee (a "**New Assisted Living License**"; together with the New Liquor License and the Continuation of Operations Permit, the "**New Licenses**").

10.3 Bridging Documents; Transition Assistance.

10.3.1 Purchaser shall make or cause Purchaser's operator to make all required filings with the applicable governmental authorities (the "**Governmental Authorities**") promptly following the Effective Date (or earlier if so desired by Purchaser and consented to by Seller in its sole discretion), and shall promptly seek to obtain all permits, approvals, authorizations and consents of all Governmental Authorities required in connection with the New Licenses, including, without limitation, filing applications to obtain all necessary or appropriate approvals for including, without limitation, the New Licenses, agreements, certificates and other consents from all Governmental Authorities and third parties, and any district, or other governmental agency or administrative body that authorizes or regulates the operation of the Facility (individually and collectively, "**Governmental Approvals**"). Notwithstanding the foregoing, Purchaser shall use best efforts to submit all applications and required documents for the New Licenses within ten (10) business days after the Effective Date, but in any event, no later than the Closing Date. Upon Purchaser's written request for such required information, Sellers shall, or shall cause Manager to, reasonably cooperate with Purchaser in providing such information necessary for Purchaser to submit all such applications and required documents to the Governmental Authorities for the New Licenses. To the extent permitted by applicable law, Purchaser shall apply for the New Liquor License and the Continuation of Operations Permit concurrently. Each party shall furnish promptly to each other party all information that is not otherwise available to the other party and required in connection with the Governmental Approvals that such party may reasonably request in connection with any such filing. Purchaser shall keep Seller reasonably informed as to its progress with respect to obtaining the Governmental Approvals. In the event that this Agreement is terminated after Purchaser has made filings with Governmental Authorities for the Governmental Approvals, Purchaser shall promptly withdraw such filings at Purchaser's sole cost and expense and shall notify Seller when such withdrawal is complete. This obligation to withdraw such filings survives termination of this Agreement. In the event that Purchaser receives the New Liquor License by the Closing Date such that a Continuation of Operations Permit is no longer required, Purchaser shall promptly, and in all events prior to the Closing Date, withdraw its application for a Continuation of Operations Permit at Purchaser's sole cost and expense and shall notify Seller when such withdrawal is complete. The provisions of this Section 10.3 shall survive Closing.

10.3.2 Sellers and Purchaser acknowledge and agree that the parties are unlikely to receive the New Licenses prior to the Closing Date, and therefore, Sellers and Purchaser's operator shall enter into such documents and agreements as may be necessary and permitted under applicable laws to cause the existing license holder to remain in place as the licensee, subject to, if required, the prior notice to, or approval of, such temporary arrangement from all relevant federal, state, and local governmental or administrative agencies or authorities, or other relevant parties (as applicable) (collectively, the "**Bridging Documents**") until the New Licenses are obtained. Such Bridging Documents shall include, to the extent the applicable New Licenses are not obtained at least three (3) business days prior to Closing, (i) a duly executed agreement pursuant to which Purchaser or Purchaser's operator assumes management of the Facility on the Closing Date and manages as a tenant, subtenant and/or manager operating under the applicable Seller's license and authority until such time as the New Assisted Living License is issued in Purchaser's or Purchaser's operator's name, which lease/management will be noneconomic (i.e. no rent or management fees will be paid or payable by either party) and will be solely to facilitate the transition of management to Purchaser or Purchaser's operator (the "**Interim Management Agreement**"), (ii) a duly executed agreement pursuant to which Purchaser or Purchaser's operator subleases the Property to the licenseholder until such time as the New Assisted Living License is issued in Purchaser's or Purchaser's operator's name, which sublease will be noneconomic (i.e. no rent or other amounts will be paid or payable by either party) and will be solely to facilitate the transition of management to Purchaser or Purchaser's operator (the "**Interim Sublease Agreement**"), and (iii) a duly executed agreement pursuant to which Purchaser or Purchaser's operator assumes operations of the Facility on the Closing Date and operates as a tenant, subtenant or manager operating under the Facility's existing Liquor License pursuant to the Continuation of Operations Permit until such time as the New Liquor License is issued in Purchaser's or Purchaser's operator's name, which lease/management will be noneconomic (i.e. no rent or management fees will be paid or payable by either party) and will be solely to facilitate the transition of operations to Purchaser or Purchaser's operator (the "**Interim Liquor License Agreement**"). The parties have agreed on the forms of the Bridging Documents which are attached hereto as ***Exhibit 10.3.2***. Purchaser and the applicable Seller shall promptly notify and keep the other reasonably advised as to (i) any communication from all such Governmental Authorities regarding any of the transactions contemplated in this Section, and (ii) any claim or proceeding pending and known to such Party or, to such Purchaser's knowledge or Seller's knowledge, as applicable, threatened in writing, which challenges the transactions contemplated by this Article 10. In furtherance and not in limitation of the foregoing, Purchaser and applicable Seller shall reasonably cooperate and use their respective commercially reasonable efforts to obtain the New Licenses, and to respond to any request for information from any governmental authority having jurisdiction over the applicable Property or such other Persons from which or whom such New Licenses are sought. The applicable Seller shall provide, to the extent in such Seller's possession or control, all financial and other information with respect to such Seller's Property and the operation thereof as may be reasonably requested by the Governmental Authorities from time to time in connection with the New Licenses. The provisions of this Section 10.3.2 shall survive Closing.

10.4 Employees; PTO and Employee Bonuses. For the avoidance of doubt, the parties intend for there to be continuity of employment at Closing. Following the Approval Date, OpCo Seller shall reasonably cooperate with Purchaser and Purchaser's operator in informing the employees at the Facility of the planned sale of the Property. After the employees have been so informed, Sellers shall permit and allow reasonable access by Purchaser and Purchaser's operator to meet with the employees at the Facility to answer questions and concerns they may have and to make offers of post-Closing employment to any of the employees at the Facility, which employees shall be allowed to accept such offers without penalty, competing offer or interference by Sellers. Those employees that accept employment with Purchaser's operator shall, at Closing, become employees of Purchaser's operator and shall be referred to herein as the "**Transferred Employees**". At Closing, OpCo Seller shall terminate all employees at the Facility and shall pay them any wages which are due as of the Closing Date under OpCo Seller's employment policies and applicable law of the state of Virginia. Purchaser agrees to cause Purchaser's operator or manager, as applicable, to extend an offer of employment to a sufficient number of employees at the Facility upon sufficient terms such that OpCo Seller will not be required to give notice to the employees at the Facility of the sale of the Property provided for herein under the provisions of the federal Workers Adjustment and Retraining Notification Act or any other applicable similar state or local laws (collectively, the "**WARN Act**"), and Purchaser shall cause Purchaser's operator or manager, as applicable, make such offers of employment at least one (1) day prior to the Closing Date. OpCo Seller shall pay as and when due such employees' unused but accrued vacation, personal pay, or other paid time off and all accrued and unpaid bonuses per OpCo Seller's employment policies and applicable law of the state of Virginia. Purchaser acknowledges and agrees that Sellers are relying on Purchaser's agreement as set forth in this Section 10.4, as it relates to OpCo Seller not giving notice to the employees at the Facility of the sale of the Property provided for herein under the provisions of the WARN Act, and Purchaser shall indemnify Sellers for any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) under the WARN Act arising from or related to the transaction contemplated by this Agreement (including Purchaser's or Purchaser's operator's or manager's, as applicable, failure to hire a sufficient number of OpCo Seller's employees at the Facility such that any advance notice obligations are triggered under the WARN Act). To the extent permitted by applicable law, Sellers shall deliver to Purchaser's operator or manager, as applicable, either the originals or the full and complete copies of all employee records for all Transferred Employees. Sellers shall have satisfied such obligation as long as all such employee records are present at the Facility on the Closing Date. OpCo Seller shall use commercially reasonable efforts to remove from the Facility all records of former employees who are not Transferred Employees. This Section 10.4 shall survive Closing.

11. DEFAULT; FAILURE OF CONDITION.

11.1 Purchaser Default. If Purchaser shall become in breach of or default in its Closing obligations under this Agreement, the Deposit shall be retained by Sellers as liquidated damages, and both parties shall be relieved of and released from any further liability hereunder except for the Surviving Obligations. Sellers and Purchaser agree that the Deposit is a fair and reasonable amount to be retained by Sellers as agreed and liquidated damages in light of PropCo Seller's removal of the Property from the market and the costs incurred by Sellers and shall not constitute a penalty or a forfeiture. If Purchaser shall become in breach of or default under this Agreement with respect to any other obligations hereunder, Title Company shall hold the Deposit as security for the benefit of Sellers until Sellers receive from Purchaser any and all damages to which Sellers may be entitled under this Agreement.

11.2 Seller Default. If the applicable Seller shall refuse or fail to convey the Property as herein provided for any reason other than (a) a default by Purchaser and the expiration of the cure period, if any, provided under Section 12.6 hereof, (b) the existence of a Pending Default (as defined in and contemplated by Section 12.6), or (c) any other provision of this Agreement which permits either Seller to terminate this Agreement or otherwise relieves the applicable Seller of its obligation to convey the Property, Purchaser shall elect as its sole and exclusive remedy hereunder either to (i) terminate the Agreement and recover the Deposit plus actual third-party out of pocket costs and expenses incurred in connection with this Agreement, in an amount up to seventy-five thousand dollars ($75,000.00) in the aggregate, or; (ii) enforce such Seller's obligations to convey the Property by delivering written notice to Sellers within ten (10) days after the scheduled Closing which describes such default and states Purchaser's election to enforce specific performance and actually filing suit within such 10-day period, provided if such limitation on the time period to file suit is prohibited or limited by law, the time period shall be extended to the minimum limitation period allowed by law, and provided that no such action in specific performance shall seek to require Sellers to do any of the following: (1) change the condition of the Property or restore the same after any fire or other casualty; (2) subject to Section 11.3, below, expend money or post a bond to remove a title encumbrance or defect or correct any matter shown on a survey of the Property; or (3) secure any permit, approval, or consent with respect to the Property or PropCo Seller's conveyance of the Property. Purchaser waives any right to receive damages as a result of either Seller's default.

11.3 Failure of Condition. If, prior to Closing, Sellers disclose to Purchaser or Purchaser discovers that (i) title to the Property is subject to defects, limitations or encumbrances other than Permitted Encumbrances or as set forth in the Deed; or (ii) any representation or warranty of Sellers contained in this Agreement are or, as of the Closing Date, will be untrue, then Purchaser shall promptly give Sellers written notice of its objection thereto. In such event, Sellers may elect to postpone the Closing for thirty (30) days and attempt to cure such objection, provided that Purchaser may not object to the state of title of the Property on the basis of matters set out in Section 3.4 above. The parties acknowledge and agree that Sellers shall have no obligation to cure any objection within (i) or (ii) above. If Purchaser fails to waive any such objection within ten (10) days after notice from Sellers that Sellers will not cure the objection, this Agreement will terminate automatically and Sellers shall promptly direct the Title Company to return the Deposit to Purchaser, provided that Purchaser shall not be in default hereunder, and neither party shall have any liability to the other except for the Surviving Obligations. For the purposes of this Agreement, any title defect, limitation or encumbrance other than a Permitted Encumbrance or as set forth in the Deed shall be deemed cured if Title Company will agree to issue the Title Policy to Purchaser for the Purchase Price, which policy takes no exception for such defect, limitation or encumbrance and is issued for no additional premium or for an additional premium if Sellers agrees to pay such additional premium upon Closing.

12. MISCELLANEOUS.

12.1 Entire Agreement; Recitals. This Agreement, together with the Exhibits attached hereto, all of which are incorporated by reference, is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification or interpretation hereof shall be binding unless in writing and signed by both parties. The recitals set forth above are true and correct and are incorporated herein by this reference as if fully set forth in this Agreement.

12.2 Severability; Construction. If any provision of this Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law. All dollar amounts stated in this Agreement are U.S. dollar amounts. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Agreement or any exhibits or amendments hereto.

12.3 Applicable Law; Venue. **THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT, THE RELATIONSHIP OF THE PARTIES, AND/OR THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLES. THIS AGREEMENT IS PERFORMABLE IN AND EXCLUSIVE VENUE FOR ANY ACTION BROUGHT WITH RESPECT HERETO SHALL LIE IN THE STATE COURT FOR THE COUNTY IN WHICH THE LAND IS LOCATED, OR, IF APPLICABLE, THE UNITED STATES DISTRICT COURT FOR THE DISTRICT IN WHICH THE LAND IS LOCATED, WITHOUT REGARD TO CONFLICTS IN LAW.**

12.4 Assignability. Purchaser may not assign this Agreement without first obtaining Sellers' written consent, except Purchaser may assign its rights under the Agreement in whole or in part, without the prior written consent of Seller, to any entity controlling, controlled by or under common control with Purchaser (a "**Purchaser's Permitted Assignee**"), provided that Purchaser shall not be released from its liability hereunder in connection with or as a result of such assignment and Purchaser's assignee shall agree in writing to be bound by all obligations of Purchaser hereunder. Upon an assignment by Purchaser of its rights under the Agreement in accordance with this Section 12.4, Purchaser's Permitted Assignee shall be deemed to be the Purchaser hereunder and shall be the beneficiary of all of Seller's warranties, representations and covenants in favor of Purchaser under this Agreement. Purchaser shall provide Seller written notice and an executed copy of any such assignment at least five (5) days before Closing.

12.5 Successors Bound. This Agreement shall be binding upon and inure to the benefit of Purchaser and Sellers and their respective successors and permitted assigns.

12.6 Breach. Should either party be in breach of or default under or otherwise fail to comply with any of the terms of this Agreement, except as otherwise provided in this Agreement, the complying party shall have the option to cancel this Agreement upon ten (10) days written notice to the other party of the alleged breach, default or failure by such other party to cure such breach within such ten (10) day period. The non-defaulting party shall promptly notify the defaulting party in writing of any such alleged breach, default or failure upon obtaining knowledge thereof. The Closing Date shall be extended to the extent necessary to afford the defaulting party the full ten-day period within which to cure such breach, default or failure; provided, however, that the failure or refusal by a party to perform on the scheduled Closing Date (except in respect of a Pending Default by the other party) shall be deemed to be an immediate default without the necessity of notice; and provided further, that if the Closing Date shall have been once extended as a result of default by a party, such party shall not be entitled to any further notice or cure rights with respect to that or any other default. For purposes of this Section, a "**Pending Default**" shall be a default for which (i) written notice was given by the non-defaulting party, and (ii) the cure period extends beyond the scheduled Closing Date.

12.7 Publicity. Except as otherwise expressly permitted under this Agreement, no party shall issue any press release or public announcement relating to the subject matter of this Agreement without the prior written approval of the other parties, which approval may be withheld in either party's sole discretion; provided, however, that any party may make the following public disclosure (without the consent of the other party): if prior to Closing, such disclosure, it believes in good faith, is required by any applicable law or stock market rule (in which case to the extent practicable the disclosing party shall advise the other parties and provide them with a copy of the proposed disclosure prior to making the disclosure). Further, in accordance with the confidentiality provisions of this Agreement, Purchaser may publicly disclose the existence of this Agreement and disclose any information relating to the subject matter of this Agreement requested by any regulatory or governmental agency during the course of a routine, non-targeted examination. Notwithstanding anything to the contrary contained herein, after the Closing, Purchaser may issue a press release and/or a public announcement about the transaction, provided the contents of such release and/or announcement shall be subject to Sellers' prior written approval, which may not be unreasonably withheld, delayed or conditioned, and Sellers shall use good faith efforts to promptly respond to such request for consent.

12.8 Captions. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

12.9 Attorneys' Fees. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

12.10 No Partnership. Nothing contained in this Agreement shall be construed to create a partnership or joint venture between the parties or their successors in interest.

12.11 Time of Essence. Time is of the essence in this Agreement.

12.12 Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

12.13 Recordation. Purchaser and Sellers agree not to record this Agreement or any memorandum hereof. The terms of this Section shall survive any termination of this Agreement.

12.14 Proper Execution. The submission by Sellers to Purchaser of this Agreement in unsigned form shall be deemed to be a submission solely for Purchaser's consideration and not for acceptance and execution. Such submission shall have no binding force and effect, shall not constitute an option, and shall not confer any rights upon Purchaser or impose any obligations upon Sellers irrespective of any reliance thereon, change of position or partial performance. The submission by Sellers of this Agreement for execution by Purchaser and the actual execution and delivery thereof by Purchaser to Sellers shall similarly have no binding force and effect on Sellers unless and until Sellers shall have executed this Agreement and the Deposit shall have been received by the Title Company and a counterpart thereof shall have been delivered to Purchaser.

12.15 Tax Protest. If, as a result of any tax protest or otherwise, any refund is paid or reduction of any real property or other tax or assessment is made available relating to the Property with respect to any period for which, under the terms of this Agreement, either Seller is responsible, such Seller shall be entitled to receive or retain such refund or the benefit of such reduction, less the equitable prorated costs of collection and prorated portion of the refund or reduction attributable to the period of time after the Closing. The terms of this Section shall survive the Closing.

12.16 Survival and Limitation of Representations and Warranties; Seller's Knowledge. The representations and warranties set forth in this Agreement are made as of the Effective Date and are remade as of the Closing Date (unless such representation of warranty is limited to a specific date, then it shall not be deemed remade as of the Closing Date) and Section 5.1 shall survive the Closing but written notification of any claim arising therefrom must be received by Sellers within six (6) months of the Closing Date (the "**Survival Period**") or such claim shall be forever barred and Sellers shall have no liability with respect thereto. In addition, upon Sellers' receipt of written notification of any such claim, the applicable Seller shall first be afforded at least ten (10) days to cure any breach of such Seller's representations and warranties prior to Purchaser's filing any claim in connection therewith. The aggregate liability of Sellers for breach of any representations and warranties shall not exceed $1,000,000.00 ("**Cap**"); and recovery of actual damages up to that amount is Purchaser's sole and exclusive remedy for any such breach; provided, however, Sellers shall have no liability to Purchaser for matters disclosed by Sellers in writing to Purchaser or discovered by Purchaser prior to Closing. In addition, Sellers shall have no liability related to any representation or warranty made by Sellers unless such liability exceeds $50,000.00 in the aggregate ("**Basket**"), in which case, Sellers shall be liable for the full amount of such damages. Notwithstanding the foregoing, the Cap and Basket shall not apply to fraud. For matters disclosed in writing to Seller or discovered prior to Closing, Purchaser's sole rights and remedies shall be as set forth in Section 11.3. Whenever a representation or warranty is made in this Agreement on the basis of the actual knowledge of Sellers, such representation and warranty is made with the exclusion of any facts otherwise known or disclosed to Purchaser, and is made solely on the basis of the actual knowledge without inquiry or investigation of Asset Manager; provided, however, that such individual shall have no personal liability with respect to any such representation or warranty. The provisions of this Section shall survive the Closing.

12.17 No Processing. Except as otherwise set forth in this Agreement, without Sellers' prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed following the Approval Date (but may be withheld in Sellers' sole discretion prior to the Approval

Date), until the Closing, Purchaser shall not make any application to any governmental agency for any permit, approval, license or other entitlement for the Property or the use or development thereof, or have any communications with any governmental agency or official relating to the condition (environmental or otherwise) of the Property, subject to Section 10.3.

12.18 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included at, unless such last day is a Saturday, Sunday or legal holiday for national banks in the location where the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. Dallas, Texas time.

12.19 Section 1031 Exchange. Either party may consummate the purchase or sale (as applicable) of the Property as part of a so-called like kind exchange (an "**Exchange**") pursuant to § 1031 of the Code, provided that: (a) the Closing shall not be delayed or affected by reason of the Exchange nor shall the consummation or accomplishment of an Exchange be a condition precedent or condition subsequent to the exchanging party's obligations under this Agreement, (b) the exchanging party shall effect its Exchange through an assignment of this Agreement, or its rights under this Agreement, to a qualified intermediary, (c) neither party shall be required to take an assignment of the purchase agreement for the relinquished or replacement property or be required to acquire or hold title to any real property for purposes of consummating an Exchange desired by the other party; and (d) the exchanging party shall pay any additional costs that would not otherwise have been incurred by the non-exchanging party had the exchanging party not consummated the transaction through an Exchange (such payment obligation shall survive Closing or any termination of this Agreement). Neither party shall by this Agreement or acquiescence to an Exchange desired by the other party have its rights under this Agreement affected or diminished in any manner or be responsible for compliance with or be deemed to have warranted to the exchanging party that its Exchange in fact complies with § 1031 of the Code.

12.20 Limitation of Liability. Each party acknowledges and agrees that (i) it will have no claims or causes of action against any disclosed or undisclosed, direct or indirect member, partner, owner, principal, parent, subsidiary or other affiliate of the other party (the "**Protected Affiliates**"), or any officer, director, manager, employee, trustee, agent or shareholder of such other party or any of the Protected Affiliates (together with the Protected Affiliates, the "**Protected Parties**"), arising out of or in connection with this Agreement or the transactions contemplated by this Agreement, and (ii) it shall not sue or otherwise seek to enforce any personal obligation of the other against any of the Protected Parties with respect to any matters arising out of or in connection with this Agreement or the transactions contemplated by this Agreement. The terms and provisions of this Section 12.20 shall survive Closing or any termination of this Agreement.

12.21 Jury Waiver. PURCHASER AND SELLERS DO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THEIR RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, OR UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE DOCUMENTS DELIVERED BY PURCHASER AT CLOSING OR SELLERS AT CLOSING, OR ANY COURSE OF

CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ANY ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THIS AGREEMENT OR THE PROPERTY (INCLUDING WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT AND ANY CLAIMS OR DEFENSES ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR SELLERS TO ENTER INTO AND ACCEPT THIS AGREEMENT AND THE DOCUMENTS DELIVERED BY PURCHASER AT CLOSING AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

12.22 Prohibited Persons and Transactions. Purchaser represents that neither Purchaser nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become, a person or entity with whom United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities. The foregoing representations shall survive Closing and any termination of this Agreement.

12.23 Merger Provision. Except as otherwise expressly provided herein, any and all rights of action of Purchaser for any breach by Sellers of any representation, warranty or covenant contained in this Agreement shall merge with the Deed and other instruments executed at Closing, shall terminate at Closing and shall not survive Closing.

12.24 Electronic Signatures. Each of the parties to this Agreement (a) has agreed to permit the use from time to time, where appropriate, of telecopy or other electronic signatures (including, without limitation, via .PDF) in order to expedite the transaction contemplated by this Agreement, (b) intends to be bound by its respective telecopy or other electronic signature, (c) is aware that the other will rely on the telecopied or other electronically transmitted signature, and (d) acknowledges such reliance and waives any defenses to the enforcement of this Agreement and the documents affecting the transaction contemplated by this Agreement based on the fact that a signature was sent by telecopy or electronic transmission only.

13. RIDEA / TRS STRUCTURE PROVISIONS. The parties acknowledge that Purchaser intends to acquire the Facility using a structure designed to permit a real estate investment trust and its affiliates to invest in healthcare real estate pursuant to Section 856(d)(8) of the Internal Revenue Code of 1986, as amended (the "Code") (a "**RIDEA Structure**"). Without limiting Purchaser's rights under Section 12.4 (Assignment), Sellers shall reasonably cooperate with Purchaser to facilitate such RIDEA Structure, at no cost to Sellers and provided that such cooperation does not increase Sellers' liabilities or obligations, including the matters set forth below.

13.1 RIDEA/TRS Definitions. For purposes of this Agreement: (a) "**REIT Owner**" means any entity that is a real estate investment trust within the meaning of Section 856 of the Code, or a direct or indirect subsidiary thereof, designated by Purchaser to hold title to the Property; (b) "**TRS Lessee**" means a taxable REIT subsidiary (within the meaning of Section 856(l) of the Code) designated by Purchaser to lease the Property from the REIT Owner and to conduct, directly or through other permitted entities, the operations of the Facility; (c) "**Eligible Independent Contractor**" has the meaning set forth in Section 856(d)(9) of the Code; and (d) "**RIDEA Management Agreement**" means the property/operations management agreement pursuant to which an Eligible Independent Contractor will manage the Facility for the TRS Lessee (and/or its permitted operator entity), which agreement is referred to elsewhere herein as the New Management Agreement.

13.2 Structure; Designation of Closing Entities. Purchaser may designate one or more affiliates, including a REIT Owner and/or a TRS Lessee, to take title to the Property and/or acquire some or all of the Personal Property and other Property at Closing, and Sellers shall convey such Property to such designee(s) in accordance with Purchaser's written direction delivered to Sellers at least five (5) business days prior to Closing. No additional consent of Sellers shall be required for such designation, and any such designee(s) shall be deemed Purchaser's Permitted Assignee(s) for purposes of Section 12.4.

13.3 TRS Lease; Management Agreement; Owner/Operator Separation. At or prior to Closing, Purchaser may cause the REIT Owner and TRS Lessee to enter into a lease (or sublease) of the Property (a "**TRS Lease**") and may cause the TRS Lessee (and/or its permitted operator entity) to enter into the RIDEA Management Agreement with an Eligible Independent Contractor. Sellers shall (and shall cause Manager to) reasonably cooperate, at no out-of-pocket cost to Sellers (except as otherwise provided herein), in connection with the documentation and implementation of the foregoing, including by executing customary estoppels, consents, certificates and acknowledgements reasonably requested by Purchaser, the REIT Owner, the TRS Lessee, any lender, and/or the title company; provided that Sellers shall not be required to incur any liability or make any representation or warranty beyond those expressly set forth in this Agreement. The parties further acknowledge and agree that neither the REIT Owner nor Sellers shall operate the Facility after Closing, and that (i) the Eligible Independent Contractor (and not the REIT Owner) will have day-to-day responsibility for operating the Facility pursuant to the RIDEA Management Agreement, (ii) the RIDEA Management Agreement will provide that the manager is an independent contractor and not an agent of the REIT Owner, and (iii) nothing in the TRS Lease or the RIDEA Management Agreement will be intended to create a partnership, joint venture or similar relationship between the REIT Owner and the manager.

13.4 SEC Financial Statements Cooperation (Rule 3-14/Item 9.01). Sellers shall, and shall use commercially reasonable efforts to cause Property Manager to, reasonably cooperate with Purchaser and Purchaser's auditors in connection with Purchaser's preparation of any financial statements, schedules, or other financial information relating to the Land, the Facility and/or the business that Purchaser determines, in its good faith judgment, may be required to be filed or furnished pursuant to applicable securities laws (including, without limitation, the Securities Exchange Act of 1934, as amended) or the rules and regulations of the Securities and Exchange Commission, including the requirements of Regulation S-X (including Rule 3-14 or Rule 3-05, as applicable) and/or Item 9.01 of Form 8-K (collectively, "**SEC Financial Statements**"). Such cooperation may include, without limitation: (a) providing Purchaser and Purchaser's auditors reasonable access during normal business hours, upon at least two (2) business days' notice, to general ledger detail, trial balances, revenue and expense support, rent rolls and occupancy statistics, invoices and vendor agreements, bank statements (to the extent maintained for the Facility), and such other information reasonably required to prepare the SEC Financial Statements; and (b) making available, upon at least two (2) business days' notice, appropriate employees of Sellers and/or Property Manager (and, if applicable, Sellers' independent accountants) for reasonable interviews and inquiries. Purchaser shall be responsible for all out-of-pocket costs and expenses of Purchaser's auditors incurred in connection with the preparation of any SEC Financial Statements and Sellers shall not be required to incur any cost or expense, and shall be promptly reimbursed by Purchaser for any out-of-pocket expenses incurred by Sellers, in connection with this Section 13.4. The covenants in this Section 13.4 shall survive Closing for a period of one (1) year.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Purchaser and Sellers have executed this Agreement on the date set forth below, effective as of the Effective Date.

PROPCO SELLER:

SILVERSTONE ALEXANDRIA, LP,
a Delaware limited partnership

By: /s/ Matt Aubé
Name: Matt Aubé
Title: Chief Financial Officer

OPCO SELLER:

SILVERSTONE ALEXANDRIA OWNER, LLC,
a Delaware limited liability company

By: /s/ Matt Aubé
Name: Matt Aubé
Title: Chief Financial Officer

PURCHASER:

XRN ALEXANDRIA II **LLC, a Delaware limited liability company**

By: /s/ Mark Decker, Jr.
Name: Mark Decker, Jr.
Title: Authorized Signatory

By execution hereof, the Title Company hereby covenants and agrees to be bound by the terms of this Agreement.

Stewart Title and Escrow Inc.

By: /s/ Ericka Micciche
Name: Ericka Micciche
Title: Escrow Officer

EXHIBIT 1.1.1

LEGAL DESCRIPTION

<u>EXHIBIT 1.1.6</u>

SCHEDULE OF RESIDENTS

<u>EXHIBIT 3.3</u>

SCHEDULE OF CONTRACTS

<u>EXHIBIT 6.1</u>

CLOSING COSTS ALLOCATION

<u>EXHIBIT 9.2.1</u>

FORM OF DEED

<u>EXHIBIT 9.2.2</u>

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

EXHIBIT 9.2.6

AFFIDAVIT PURSUANT TO FOREIGN INVESTMENT AND REAL PROPERTY TAX ACT

<u>EXHIBIT 9.2.7</u>

FORM OF NOTICE TO RESIDENTS

<u>EXHIBIT 9.2.8</u>

FORM OF OWNER'S AFFIDAVIT AND GAP INDEMNITY AGREEMENT

<u>EXHIBIT 10.1</u>

LIQUOR LICENSE

<u>EXHIBIT 10.2.2</u>

ASSISTED LIVING LICENSES

EXHIBIT 10.3.2

BRIDGING DOCUMENTS

Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K because they do not contain information material to an investment or voting decision and such information is not otherwise disclosed in this agreement or the related filing. Certain personally identifiable or other private information has also been omitted from the filed version of this agreement. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

PSA SIDE LETTER AGREEMENT

This **PSA SIDE LETTER AGREEMENT** (this "Side Letter Agreement") is made as of May 1, 2026, by and between **SSL INVESTMENT PARTNERS, L.P.**, a Delaware limited partnership ("SSL") and **XRN ALEXANDRIA II LLC, a Delaware limited liability company** ("Purchaser"). SSL and Purchaser are each a "Party" and are collectively the "Parties".

R E C I T A L S:

A. Silverstone Alexandria, LP, a Delaware limited partnership ("PropCo Seller"), Silverstone Alexandria Owner, LLC, a Delaware limited liability company ("OpCo Seller", and collectively with PropCo Seller, "Sellers"), and Purchaser are parties to that certain Purchase and Sale Agreement executed concurrently herewith (as amended, the "Agreement"), in connection with the sale of certain property located at 2620 Main Line Boulevard, Alexandria, VA 22301, commonly referred to as The Landing Alexandria (the "Facility").

B. In addition to the representations and warranties of Sellers included in Section 5.1 of the Agreement, which shall be governed in accordance with the terms and conditions of the Agreement, Purchaser desires SSL to make certain additional representations and warranties regarding the Property, all of which shall be governed in accordance with the terms and conditions of this Side Letter Agreement.

C. **NOW, THEREFORE**, the Parties agree hereto, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as follows.

AGREEMENT:

1. SSL's Representations and Warranties. In connection with the sale of the Property to Purchaser by Sellers pursuant to the Agreement, SSL represents and warrants to Purchaser, as of the Effective Date and as of the Closing Date, as follows:

   a. *Licenses*. To SSL's Knowledge, all permits, licenses, certifications, enrollments, accreditations, exemptions, variances and other authorizations issued to Sellers in connection with the ownership, maintenance and operation of the Facility (the "Licenses") are valid, effective, and in good standing, and to SSL's Knowledge, Sellers and Manager have not received written notice that Sellers or the Facility are in violation of any restriction or other applicable laws in connection with the Licenses. Sellers are the holders of all of the Licenses and there is no other person or entity who operates, manages or leases the Facility, other than (i) Manager, and (ii) residents pursuant to Residential Agreements.

b. *Contracts*. To SSL's Knowledge, Sellers have provided or will provide to Purchaser copies of all material, outstanding written contracts, leases (including for machinery, equipment or tangible personal property), or other agreements relating to the Property, excluding only the Residential Agreements (such contracts and agreements expressly excluding the Residential Agreements, collectively, the "Contracts"). To SSL's Knowledge, Sellers have not received or sent written notice of any default under the terms of any Contracts, and each Contract is in full force and effect and is valid and enforceable by Sellers in accordance with its terms.

c. *Residential Agreements*. Included on Schedule 1.c. is the rent roll dated as of May 1, 2026 for the Facility, setting forth, to SSL's Knowledge, the names of residents pursuant to all Residential Agreements in effect as the date of such rent roll, the unit occupied by such resident, the current amounts payable under such Residential Agreements, and any outstanding or unapplied free rent or other concessions, and other relevant information. Copies of all Residential Agreements are located at the Facility and access to the Residential Agreements has been provided by Sellers to Purchaser as part of Purchaser's due diligence review. SSL shall deliver to Purchaser an updated, certified Schedule 1.c. at Closing, which shall be dated not more than five (5) business days prior to the Closing.

d. *Title to Property and Related Matters*.

i. To SSL's Knowledge, Sellers have received no written notice of any, and to SSL's Knowledge there are no, pending rezoning or other pending land use actions affecting the Property. To SSL's Knowledge, Sellers have received no written notice of any, and to SSL's Knowledge there are no, threatened or contemplated rezoning or other land use actions affecting or which will affect the Property.

ii. To SSL's Knowledge, Sellers have not received written notice of any, and to SSL's Knowledge, there are no condemnation or eminent domain proceedings pending or threatened against the Sellers, the Property or any part thereof.

iii. To SSL's Knowledge, Sellers have not granted any outstanding options or rights of first refusal to purchase the Property or any portion thereof or interest therein, other than the options to purchase running in favor of Sellers, if any, set forth in the Contracts.

e. *Patriot Act*. Sellers are in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order"), and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"). Neither Sellers nor, to SSL's Knowledge, any of its affiliates (a) is listed on the Specially Designated Nationals and Blocked Person List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"), (b) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by (including, without limitation, by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other Person who had been determined by competent authority to be subject to the prohibitions contained in the Orders.

f. *Financial Statements*. Sellers have delivered to Purchaser copies of the financial statements listed on Schedule 1.f. attached hereto (collectively, the "Financial Statements"). The Financial Statements are true, complete and accurate in all respects, present fairly and accurately the financial position of Sellers and the operation of the Facility as at such dates and the results of its operations and earnings for the periods indicated thereon, and have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods indicated.

g. *No Litigation*. Except as set forth on Schedule 1.g., to SSL's Knowledge, there are no actions, suits, claims, governmental investigations or other legal or administrative proceedings, or any orders, decrees or judgments in progress, pending or in effect, or threatened in writing against or relating to Sellers, Manager with respect to Manager's management of the Facility, or the Property, and to SSL's Knowledge, there are none pending in state courts, or in any federal courts, or pending in other jurisdictions or threatened, at law or in equity, by or before any federal, state or municipal court or other Governmental Authorities

h. Employee and Labor Relations. All personnel engaged in operating the Facility are employees of Manager and, to SSL's Knowledge, are employees-at-will. Sellers have no employees.

i. Diligence. Sellers have delivered or will deliver to Purchaser true, complete and accurate copies of the information and material referenced in Schedule 1.i.,. Nothing contained in the Agreement, the Exhibits attached thereto or the information and material delivered or to be delivered to Purchaser pursuant to the terms of the Agreement or this Side Letter Agreement, include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein not misleading. Sellers have not received any written notice of any fact which would materially adversely affect the Facility or the operation thereof which is not set forth in the Agreement, the exhibits thereto, or has not otherwise been disclosed to Purchaser in writing.

2. Knowledge Parties. As used in this Side Letter Agreement, the term "SSL's Knowledge" or "Knowledge of SSL" means and is limited to the current actual knowledge of Robert H. Zeiller and Matt Aubé, the Chief Executive Officer and Managing Director and Chief Financial Officer, respectively, of SSL (collectively, the "SSL Knowledge Parties"), without any duty of inquiry or investigation; provided that so qualifying SSL's Knowledge shall in no event give rise to any personal liability on the part of the SSL Knowledge Parties or any other officer or employee of SSL or Manager on account of any breach of any representation or warranty made by SSL herein. SSL's Knowledge or the Knowledge of SSL expressly excludes constructive knowledge, imputed knowledge, or knowledge SSL or such persons do not have but could have obtained through further investigation or inquiry beyond what is required as set forth herein. No broker, agent or party other than SSL is authorized to make any representation or warranty for or on behalf of SSL.

3. Changes in SSL's Representations and Warranties. Throughout the period from the Effective Date through and including the Closing Date, SSL shall give Purchaser prompt written notice of any event, change or occurrence on or after the Effective Date that would make any representation or warranty of SSL in Section 1 of this Side Letter Agreement inaccurate or materially incorrect as of the time of such event, change or occurrence or will prevent SSL from making the same representations and warranties as set forth herein on and as of the Closing Date (other than representations and warranties that speak as of another stated date) (a "SSL Update Notice"). If the SSL Update Notice discloses a misrepresentation which would adversely affect Sellers' ability to consummate the transaction or Purchaser's title to or operation of the Facility after Closing, then Purchaser shall have the right to either (i) terminate the Agreement within five (5) Business Days after receipt of the SSL Update Notice and receive an immediate refund of the Deposit, or (ii) elect not to terminate the Agreement, in which event the applicable representations and warranties in Section 1 of this Side Letter Agreement shall be deemed to be updated to reflect the information contained in the SSL Update Notice and SSL and Sellers shall not have any liability for breach of such representations and warranties. If Purchaser does not terminate the Agreement within the time period set forth above, Purchaser shall be deemed to have elected option (i) above.

4. Survival Period. All of the representations and warranties of the parties contained in Section 1 of this Side Letter Agreement shall survive the Closing and continue in full force and effect for a period of 12 months after the Closing Date (the "Survival Period"). The period after the Closing Date during which a claim for indemnification under Section 5 of this Side Letter Agreement may be asserted by Purchaser Indemnified Parties shall commence on the Closing Date and terminate at the expiration of the Survival Period. This Section 4 shall survive the Closing

Date. Notwithstanding the foregoing, prior to the close of business on the last day of the Survival Period, if SSL shall have been properly notified of a claim for indemnity and such claim shall not have been finally resolved or disposed of at such date, such claim shall continue to survive and shall remain a basis for indemnity hereunder until such claim is finally resolved or disposed of in accordance with the terms hereof.

5. Limitations on SSL's Representations and Warranties. If Closing occurs under the Agreement, SSL shall indemnify, protect, defend, exculpate and hold Purchaser, its permitted assigns under Section 12.4 of the Agreement ("Purchaser's Permitted Assignees") and each of its partners, directors, members, shareholders, officers, employees and agents (collectively, "Purchaser Indemnified Parties") harmless from and against, and agree promptly to defend Purchaser Indemnified Parties from and reimburse Purchaser Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) (collectively, "Purchaser Indemnified Losses") which Purchaser Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with any breach, inaccuracy, misrepresentation or omission in any of the representations or warranties made by SSL in Section 1 of this Side Letter Agreement. SSL shall be liable for Purchaser Indemnified Losses pursuant to this Section 5 only if the aggregate amount of such Purchaser Indemnified Losses exceeds the amount of Fifty Thousand and No/100 Dollars ($50,000.00) (the "Basket"), in which case SSL shall be responsible for the full amount of any such Purchaser Indemnified Losses, up to an aggregate cap of One Hundred Ninety-Five Thousand and No/100 Dollars ($195,000.00) (the "Cap"), provided, however, the foregoing Basket and Cap shall not apply to fraud or any intentional or willful misrepresentation. Nothing set forth in this Section 5 or elsewhere in this Side Letter Agreement or in any instrument, certificate, affidavit or Closing document shall limit, affect or circumvent the provisions of Section 1.2 (As Is) of the Agreement. Purchaser's sole post-Closing remedy against SSL under this Side Letter Agreement shall be as set forth under the terms of this Section 5 and all SSL liability under this Side Letter Agreement shall be subject to the Cap. Claims for Purchaser Indemnified Losses by Purchaser Indemnified Parties may only be brought by such Purchaser Indemnified Party if Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim, it being the parties' intent that Purchaser Indemnified Parties other than Purchaser (or Purchaser's Permitted Assignees, if applicable) not have a separate and independent right to assert an indemnification claim pursuant to this Agreement unless Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim. The provisions of this Section shall survive Closing or any termination of this Side Letter Agreement.

6. Limitation on Liability. Purchaser hereby acknowledges and agrees that Sellers shall have no liability in connection with any breach of this Side Letter Agreement, and any such claims brought by the Purchaser Indemnified Parties in connection with the terms and conditions of this Side Letter Agreement shall be limited to SSL. Purchaser further acknowledges and agrees that in no event shall any partner, member, manager, shareholder, or officer of SSL ever be liable to Purchaser as a result of a breach of this Side Letter Agreement, and Purchaser agrees to look solely to SSL for satisfaction of any claim, loss or damage. The provisions of this Section shall survive Closing or any termination of this Side Letter Agreement.

7. Notices. Any notice required or under this Side Letter Agreement shall be given in accordance with the terms and conditions of Section 8 of the Agreement, provided, however, any notice to SSL shall be given to the following parties:

IF TO SSL:

SSL INVESTMENT PARTNERS, L.P.
3710 Rawlins Street, Suite 800
Dallas, Texas 75219
Attention: Matt Aubé
E-mail: *****

And

Attention: Robert H. Zeiller
E-mail: ******

WITH A COPY TO:

Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attention: Meredith Brewster
E-mail: ******

And

Attention: Kim Trapani
E-mail: *****

8. Attorneys' Fees. In the event of any litigation arising out of this Side Letter Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs (which shall *not* be subject to the Cap).

9. Jury Waiver. PURCHASER AND SSL DO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THEIR RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, OR UNDER OR IN CONNECTION WITH THIS SIDE LETTER AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ANY ACTIONS OF EITHER PARTY ARISING OUT OF OR RELATED IN ANY MANNER WITH THIS SIDE LETTER AGREEMENT OR THE PROPERTY (INCLUDING WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS SIDE LETTER AGREEMENT AND ANY CLAIMS OR DEFENSES ASSERTING THAT THIS SIDE LETTER AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR SSL TO ENTER INTO AND ACCEPT THIS SIDE LETTER AGREEMENT AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THE AGREEMENT.

PSA Side Letter Agreement
The Landing Alexandria

10. Applicable Law; Venue. THIS SIDE LETTER AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS SIDE LETTER AGREEMENT, THE RELATIONSHIP OF THE PARTIES, AND/OR THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED WITHOUT REGARD TO ANY CONFLICTS OF LAW PRINCIPLES. THIS SIDE LETTER AGREEMENT IS PERFORMABLE IN AND EXCLUSIVE VENUE FOR ANY ACTION BROUGHT WITH RESPECT HERETO SHALL LIE IN THE STATE COURT FOR THE COUNTY IN WHICH THE LAND IS LOCATED, OR, IF APPLICABLE, THE UNITED STATES DISTRICT COURT FOR THE DISTRICT IN WHICH THE LAND IS LOCATED, WITHOUT REGARD TO CONFLICTS IN LAW.

11. Miscellaneous.

a. SSL and Purchaser hereby covenant each for itself, that such individual signing on behalf of each such party has the full right, power and authority to enter into this Side Letter Agreement upon the terms and conditions herein set forth.

b. For the convenience of the Parties, this Side Letter Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Signature and acknowledgement pages may be detached from the counterparts and attached to a single copy of this Side Letter Agreement to physically form one document. Email transmissions of any executed original and/or retransmission of any email transmission shall be deemed to be the same as the delivery of an executed original. At the request of any Party hereto, the other Parties hereto shall confirm facsimile or email transmissions by executing duplicate original documents and delivering the same to the requesting Party or Parties.

c. The agreements set forth in this Side Letter Agreement may be modified or waived only by a separate writing signed by the Parties.

d. It is understood and agreed that no failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

e. If it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that any term or provision hereof is invalid or unenforceable, (i) the remaining terms and provisions hereof shall be unimpaired and shall remain in full force and effect and (ii) the invalid or unenforceable provision or term shall be replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term or provision.

f. Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them under the Agreement, as applicable.

g. Time is of the essence in this Side Letter Agreement.

h. This Side Letter Agreement shall be binding upon and inure to the benefit of the Parties as well as their respective successors and permitted assigns.

i. Purchaser and SSL agree not to record this Side Letter Agreement or any memorandum hereof. The terms of this Section shall survive any termination of this Side Letter Agreement.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have executed this Side Letter Agreement as of the date set forth above.

<u>SSL</u>:
SSL INVESTMENT PARTNERS, L.P.,
a Delaware limited partnership

By: /s/ Matt Aube
Name: Matt Aube
Title: CFO

<u>PURCHASER</u>:

XRN ALEXANDRIA II LLC,
a Delaware limited liability company

By: /s/ Mark Decker, Jr.
Name: Mark Decker, Jr.
Title: Authorized Representative

SCHEDULE 1.c.

RENT ROLL DATED AS OF MAY 1, 2026

Attached.

PSA Side Letter Agreement
The Landing Alexandria

SCHEDULE 1.f.

FINANCIAL STATEMENTS

PSA Side Letter Agreement
The Landing Alexandria

SCHEDULE 1.g.

LITIGATION

PSA Side Letter Agreement
The Landing Alexandria

SCHEDULE 1.i.

DUE DILIGENCE DOCUMENTS

PSA Side Letter Agreement - Signature Page
The Landing Alexandria

Exhibit 10.6

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is entered into as of May 29, 2026 (the "Amendment Effective Date") by and between SILVERSTONE ALEXANDRIA, LP, a Delaware limited partnership ("PropCo Seller"), SILVERSTONE ALEXANDRIA OWNER, LLC, a Delaware limited liability company ("OpCo Seller" and collectively with PropCo Seller, "Seller") and XRN ALEXANDRIA II LLC, a Delaware limited liability company ("Purchaser") (each a "Party" and, collectively, the "Parties").

BACKGROUND

WHEREAS, the Parties entered into that certain Purchase and Sale Agreement dated May 1, 2026 (the "Agreement"); and

WHEREAS, the Parties desire to amend certain terms and provisions in the Agreement as more particularly set forth below.

NOW THEREFORE, for the mutual covenants set forth herein and in the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. Definitions. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

2. Vehicles. As of the Amendment Effective Date, Seller has not yet received the vehicle title to a certain Mercedes 2022 S Class 4MATIC sedan servicing the Facility (the "Mercedes") and the vehicle title is not anticipated to be received by Seller until after Closing. The Parties shall reasonably cooperate with one another to complete the transfer of title of the Mercedes from Seller to Purchaser as soon as reasonably practicable after the Closing Date upon Seller's receipt of the vehicle title. Seller and Purchaser shall reasonably cooperate with one another post-Closing to execute and deliver any documentation required in order to complete such transfer of title. Additionally, Seller and GMSC Alexandria LLC, a Texas limited liability company ("Manager") are in the process of assigning the lease with Wells Fargo for a shuttle bus servicing the Facility (the "Shuttle Bus Lease") from Seller to Purchaser. Such assignment of the Shuttle Bus Lease is not anticipated to occur until after Closing. The Parties shall reasonably cooperate with one another to complete the assignment of the Shuttle Bus Lease as soon as reasonably practicable after the Closing Date and execute and deliver such additional documentation as is required in connection therewith. So long as Purchaser and/or Manager, as applicable, obtain and continue to maintain customary automobile insurance with respect to the shuttle bus and Mercedes and provide an insurance certificate in respect thereof to Seller as an additional insured, Seller and/or Manager, as applicable, shall have the right to use the shuttle bus and Mercedes and the existing license plates after the Closing Date until such time as title to the Mercedes has been transferred to Purchaser and the Shuttle Bus Lease has been assigned to Purchaser and new license plates are delivered to Purchaser and/or Manager if applicable. This Section 2 shall survive Closing.

3. Employee Matters. Notwithstanding that the fifth sentence of Section 10.4 of the Agreement provides that at Closing, OpCo Seller shall pay all employees any wages which are due as of the Closing Date, the Parties hereby acknowledge and agree that the next employee payment cycle will occur post-Closing and that any wages which are due as of the Closing Date will be paid to the employees post-Closing in the next employee payment cycle. Employee wages are prorated between Seller and Purchaser on the closing statements. This Section 3 shall survive Closing.

4. Conflicts. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Agreement, the terms and conditions of this Amendment shall control.

5. Counterparts. This Amendment may be executed by email (in ".pdf" format) and/or in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed originals signatures for purposes of this Amendment.

6. Severability. In the event that any part of this Amendment shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be reformed, and enforced to the maximum extent permitted by law. If such provision cannot be reformed, it shall be severed from this Agreement and the remaining portions of this Agreement shall be valid and enforceable.

7. Binding Agreement. All terms, conditions, and covenants of the Agreement not otherwise modified herein are hereby ratified and confirmed, and this Amendment when executed by the Parties hereto will become a part of the Agreement and the Agreement shall remain in full force and effect.

8. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, without regarding to its principles of conflicts of laws.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

[Remainder of page intentionally left blank]

SELLER:

SILVERSTONE ALEXANDRIA OWNER, LLC, a Delaware limited liability company

By: /s/ Matt Aubé

Matt Aubé, Chief Financial Officer

SILVERSTONE ALEXANDRIA LP, a Delaware limited partnership

By: /s/ Matt Aubé

Matt Aubé, Chief Financial Officer

PURCHASER:

XRN ALEXANDRIA II LLC,
a Delaware limited liability company

By: /s/ Robert J. Kiernan
Name: Robert Kiernan
Title: CFO

[Signature Page to First Amendment to Purchase and Sale Agreement]

Exhibit 10.7

Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K because they do not contain information material to an investment or voting decision and such information is not otherwise disclosed in this agreement or the related filing. Certain personally identifiable or other private information has also been omitted from the filed version of this agreement. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

ASSET PURCHASE AGREEMENT

BY

AND

BETWEEN

XRN BETHESDA, LLC,

A DELAWARE LIMITED LIABILITY COMPANY,

AS "PURCHASER",

AND

SILVERSTONE BETHESDA OWNER, LLC

A DELAWARE LIMITED LIABILITY COMPANY,

AS "SELLER"

Dated: May 6, 2026

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of this 6th day of May, 2026 (the "Effective Date"), is made and entered into by and between **XRN BETHESDA, LLC**, a Delaware limited liability company ("Purchaser"), and **SILVERSTONE BETHESDA OWNER, LLC**, a Delaware limited liability company ("Seller").

RECITALS:

A. WHEREAS, Seller owns that certain assisted living facility known as "The Pinnacle North Bethesda", together with the real property, the improvements and all appurtenances thereto (the "Community", which defined term shall include all of the Assets (defined below) applicable to the Community). The Community is located at 11555 Old Georgetown Road, North Bethesda, MD 20852.

B. WHEREAS, the parties desire to enter into this Agreement pursuant to which Purchaser will purchase, accept and assume from Seller, and Seller will sell, convey, transfer and assign to Purchaser, the following (collectively, the "Assets"):

(i) Seller's right, title and interest in and to the parcel(s) of real property on which the Community is located (including certain adjacent, undeveloped land), such real property being more particularly described on Exhibit A (the "Land");

(ii) Seller's right, title and interest in and to all buildings, structures, facilities, amenities, driveways, walkways, parking lots and other improvements located on the Real Property (collectively, the "Improvements");

(iii) all right, title and interest of Seller, without warranty, in and to any alleys, strips or gores adjoining the Land, any easements, rights of way or other interests in, on, under or to, any land, highway, street, road or right of way, open or proposed, in, under, across, abutting or benefiting the Land, and, to the extent assignable, any pending or future action for condemnation, eminent domain or similar proceeding, or for any damage to the Land by reason of a change of grade thereof, if any, and all other accessions, appurtenant rights and privileges of Seller in and to the Land and the Improvements (collectively, the "Appurtenances" and, together with the Land and the Improvements, collectively, the "Real Property"). Without limiting the foregoing, the Real Property will be in the form of a condominium unit pursuant to that certain Declaration of Condominium for Grand Park Lake Condominium dated February 22, 2023 and recorded February 27, 2023 in Liber 66768 at Folio 186, as amended;

(iv) all of Seller's right, title and interest in the furniture, fixtures, furnishings, equipment, computers, machinery, mechanical systems, security and alarm systems, or equipment owned by Seller and presently located at the Community or used in connection therewith, including such fixtures and equipment that are subject to any Assumed Equipment Leases (defined below), (collectively, the "FF&E");

(v) to the extent assignable and without warranty, all Assumed Equipment Leases and Assumed Contracts (each as defined below);

(vi) all Residency Agreements (as defined below);

(vii) to the extent Seller's interest is assignable without violating any and all applicable laws, rules, regulations, statutes, ordinances or requirements of, or any and all judgments, decrees, writs, injunctions or orders of, any federal, state, local/municipal, foreign or other governmental or regulatory authority (individually, a "Governmental Authority" and collectively, "Governmental Authorities") in effect as of the date hereof, or as enacted or amended from time to time after the Effective Date (collectively, "Applicable Laws"), and only to the extent Purchaser in its sole discretion elects to assume the same, all Licenses (defined below) relating to or used in connection with the Community or the operation thereof;

(viii) all right, title and interest of Seller in and to the following: any trademarks, trade names, service marks, trade dress and all variations thereof, including without limitation the name "The Pinnacle North Bethesda", or any variations thereof; all telephone and facsimile numbers relating to the Community (including all "800" numbers); all post office box addresses associated with the Community; all websites, social media accounts, domain names, websites, e-mail addresses, software or other computer programs used in connection with the operation of the Community; all security deposits posted with respect to any Assumed Contracts and Assumed Equipment Leases; and all security deposits, prepaid rent or fees, reservation deposits, move-in fees, pet or cleaning deposits and other prepaid items and deposits related to the Community or the operation thereof, including without limitation the Residency Agreements;

(ix) all books, data and records (including Word files, Excel files, Power Point files and other electronic versions thereof) related to the operation of the Community, including emails, financial and accounting records, contacts, calendars, CRM, referral source lists, regulatory surveys and reports, incident tracking reports, advertising and marketing materials and competitive analyses, all policy and procedure manuals, all records and reports (except for such records and reports where transfer is prohibited by Applicable Laws) relating to any or all residents residing at the Community from time to time on or after the Effective Date (collectively, "Residents") (all of the foregoing, collectively, "Resident Records"), all leads regarding prospective residents, all blueprints, construction and architects' plans and drawings, all engineering data and reports, and all bonds and warranties that relate to the construction or renovation of the Improvements or the condition thereof (collectively, "Books and Records"); and

(x) all right, title and interest of Seller, to the extent assignable and without warranty, in any and all other items of tangible and intangible property used in connection with the ownership, use, operation and maintenance of the Real Property or the Community, excluding any cash, cash equivalents, securities or bank accounts (collectively, together with the FF&E and the items described in clauses (vii), (viii), (ix) and (x) above, the "Personal Property"), and all goodwill of Seller associated with the business operated at the Community (collectively, the "Business").

NOW, THEREFORE, in consideration of the recitals, and of the mutual agreements, representations, warranties, conditions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I.
PURCHASE AND SALE

1.1 Transfer of Assets. For and in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are herein acknowledged, and subject to the terms and conditions herein provided, Seller shall convey, transfer and assign the Assets to Purchaser, and Purchaser shall purchase, accept and assume the Assets from Seller.

1.2 Closing.

(a) Unless this Agreement shall have been terminated pursuant to an express right to terminate as herein provided, the closing hereunder (the "Closing") shall occur on July 31, 2026 (provided, however, Purchaser acknowledges and agrees that in the event Purchaser plans to close on July 31, 2026, Purchaser shall provide notice of the same to Seller no later than June 30, 2026, but such notice shall not extinguish Purchaser's right to further extend the Closing Date in accordance with the terms and conditions herein). The date that Closing actually occurs shall be referred to herein as the "Closing Date". Notwithstanding the foregoing, Purchaser shall have the right to extend the Closing Date to September 1, 2026 by (i) delivering written notice to Seller no later than July 15, 2026 (the "First Closing Extension Notice"), and (ii) by depositing an additional One Million Seven Hundred Ninety-Five Thousand and No/100 Dollars ($1,795,000.00) with Escrow Agent (as defined below) (the "First Purchase Price Increase") simultaneously with its delivery of the First Closing Extension Notice. Purchaser shall have the right to further extend the Closing Date to October 1, 2026 by (i) delivering written notice to Seller no later than August 15, 2026 (the "Second Closing Extension Notice"), and (ii) by depositing an additional One Million Five Hundred Sixty Thousand and No/100 Dollars ($1,560,000.00) with Escrow Agent (as defined below) (the "Second Purchase Price Increase" and together with the First Purchase Price Increase, the "Purchase Price Increase") simultaneously with its delivery of the Second Closing Extension Notice. Purchaser shall have the right to further extend the Closing Date to November 1, 2026 by (i) delivering written notice to Seller no later than September 15, 2026 (the "Third Closing Extension Notice"), and (ii) by depositing an additional One Million Three Hundred Sixty Thousand and No/100 Dollars ($1,360,000.00) with Escrow Agent (as defined below) (the "Third Purchase Price Increase" and together with the First Purchase Price Increase and the Second Purchase Price Increase, the "Purchase Price Increase") simultaneously with its delivery of the Third Closing Extension Notice. In any event, under no circumstances shall the Closing Date occur later than November 1, 2026 (the "Outside Closing Date"). The Purchase Price Increase (i) shall become non-refundable to Purchaser immediately upon deposit, (ii) shall be promptly released to Seller without any further action or approval by Purchaser, and (iii) shall not apply as a credit against the base Purchase Price payable at Closing. The Closing Date will be effective for accounting purposes as of 12:00:01 a.m. on the Closing Date such that the Closing Date will be a day of income and expense to Purchaser. The parties acknowledge that it is mutually advantageous for the Closing Date to occur on the first (1st) day of the given month of Closing and agree to use good faith efforts to cause the Closing Date to occur on the first (1st) day of such month.

(b) On the Closing Date, all documents and other materials required from Seller under Section 11.1(b) (collectively, the "Seller Documents") and from Purchaser under Section 11.1(c) (collectively, the "Purchaser Documents") in order to effectuate the consummation of the Closing shall be delivered to the offices of Title Company (defined below).

1.3 Purchase Price. The aggregate purchase price for the Assets (the "Purchase Price") shall be One Hundred Seventy Three Million Fifty-Five Thousand and No/100 Dollars ($173,055,000.00), plus any Purchase Price Increase, subject to the prorations and further adjustments as provided for in this Agreement, including without limitation, the Loan Balance Adjustment (defined below). Purchaser acknowledges and agrees that the Purchase Price is determined by considering the outstanding construction loan balance applicable to the Community (the "Construction Loan Balance"), and such Construction Loan Balance is anticipated to be (i) Eighty Seven Million Two Hundred Seventy-Five Thousand and No/100 Dollars ($87,275,000.00) on July 31, 2026, (ii) Eighty-Eight Million Sixty-Five Thousand and No/100 Dollars ($88,065,000.00) on September 1, 2026, (iii) Eighty-Eight Million Five Hundred Sixty-Five Thousand and No/100 Dollars ($88,565,000.00) on October 1, 2026, and (iv) Eighty-Eight Million Nine Hundred Twenty-One Thousand and No/100 Dollars ($88,921,000.00) on November 1, 2026 (each, an "Estimated Construction Loan Balance"). In the event that the actual Construction Loan Balance applicable on the Closing Date (the "Actual Construction Loan Balance") is higher or lower than the Estimated Construction Loan Balance applicable to such Closing Date as set forth herein, the Purchase Price shall be adjusted to reflect such difference (the "Loan Balance Adjustment"). For the avoidance of doubt, if the Actual Construction Loan Balance is higher than the Estimated Construction Loan Balance applicable to the Closing Date, the Purchase Price shall be increased by the amount that such Actual Construction Loan Balance exceeds such Estimated Construction Loan Balance. If the Actual Construction Loan Balance is lower than the Estimated Construction Loan Balance applicable to the Closing Date, the Purchase Price shall be decreased by the amount that such Actual Construction Loan Balance is lower than such Estimated Construction Loan Balance. The Actual Construction Loan Balance shall be determined by a loan payoff statement issued by Seller's lender, which Seller shall provide to Purchaser no later than five (5) Business Days after receipt of Purchaser's First Closing Extension Notice, Second Closing Extension Notice, and/or Third Closing Extension Notice, as applicable, or by July 22, 2026 in the event that Purchaser does not issue the First Closing Extension Notice.

1.4 Deposit. Within two (2) Business Days after the Effective Date, Purchaser shall deliver to Title Company, as escrow agent ("Escrow Agent") an earnest money deposit in the amount of One Million Seven Hundred Thirty Thousand Five Hundred Fifty and No/100 ($1,730,550.00) (the "Initial Deposit"). Within two (2) Business Days after the expiration of the Due Diligence Period (defined below) and Purchaser's delivery of the Notice to Proceed (defined below), Purchaser shall deliver to Escrow Agent an additional earnest money deposit in the amount of Three Million Four Hundred Sixty One Thousand One Hundred and No/100 Dollars ($3,461,100.00) (the "Additional Deposit" and, together with the Initial Deposit and all interest accrued on any of the foregoing, collectively, the "Deposit"). Escrow Agent shall hold the Deposit in one or more interest bearing accounts mutually acceptable to Seller and Purchaser.

(a) At Closing, the Deposit shall be disbursed by Escrow Agent to Seller and applied against the Purchase Price payable at Closing and Purchaser shall receive a credit therefor.

(b) The Deposit shall be held pursuant to a strict joint order escrow account; provided, however, that prior to Purchaser's waiver of the Due Diligence Period, Escrow Agent shall hold or disburse the Deposit upon the sole order of Purchaser.

1.5 Payment of Purchase Price. At Closing, Purchaser shall pay the Purchase Price, adjusted for any prorations, credits and additions for the benefit of Purchaser or Seller as specified in this Agreement, less the Deposit, by wire transfer of immediately available federal funds to Escrow Agent.

1.6 Assumed Liabilities. At Closing, Purchaser shall not assume any liabilities or obligations of Seller whatsoever, fixed or contingent, other than liabilities and obligations assumed by Purchaser at Closing pursuant hereto with respect to the following only, and then only to the extent such obligations and liabilities relate to periods after Closing: (a) the Assumed Equipment Leases, if any, and (b) the Assumed Contracts, if any. The Assumed Equipment Leases and the Assumed Contracts, if any, are sometimes hereinafter collectively referred to as the "Assumed Liabilities". Seller shall retain and discharge in the ordinary course, but in no event later than the Closing Date, all liabilities and obligations of Seller other than the Assumed Liabilities. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, nothing in this Section 1.6 shall be deemed to limit, modify or otherwise affect the provisions of Section 13.15 (As Is), and Seller shall have no liability or obligation to Purchaser or any Purchaser Indemnified Party (defined below) for any claims, losses, damages, costs, expenses, liabilities or obligations of any kind (including claims by third parties) arising out of or relating to the physical condition of the Real Property, the Personal Property, the Community or the Assets, whether such claims arise before, on or after the Closing Date and regardless of whether the events, circumstances or conditions giving rise to such claims occurred or existed prior to the Closing.

1.7 Allocation of Purchase Price. Seller and Purchaser shall cooperate prior to Closing in order to attempt to reach mutual agreement on a reasonable allocation of the Purchase Price among the components of the Assets. If Purchaser and Seller fail to reach agreement on such allocation, such failure to agree shall not constitute a default of either party hereunder, no allocation of the Purchase Price shall occur on the Closing Statement (defined below), and each of Seller and Purchaser shall be free to allocate the Purchase Price after Closing for all purposes as each shall desire; provided, however, that if Seller and Purchaser do not agree on such allocation by the close of business on the second Business Day before Closing, then the Closing Documents shall reflect the allocation proposed by Purchaser.

1.8 Due Diligence Period. Within five (5) Business Days after the Effective Date, Seller shall provide Purchaser with copies of the due diligence documents associated with the Assets (the "Due Diligence Items"), and during the Due Diligence Period, Seller shall continue to provide additional Due Diligence Items within three (3) Business Days of Seller's receipt of the same. For the period commencing on the Effective Date and continuing for sixty (60) days (such period, the "Due Diligence Period"), and continuing thereafter until Closing, Purchaser shall have the right, at Purchaser's sole cost and expense, to access the Real Property at reasonable times as agreed between Seller and Purchaser in advance to conduct such non-invasive due diligence, surveys, inspections, examinations, environmental inspections, tests and other studies (collectively, the "Studies") as Purchaser shall determine to be reasonably necessary or appropriate with respect to the Assets and the condition thereof and the operations of the Community, including review at the Community of all Books and Records; provided, however, that Purchaser shall not conduct any invasive testing, including Phase II environmental testing, without Seller's prior written consent in its sole discretion, provided, however, such consent shall not be required if such Phase II environmental testing is recommended by the related Phase I environmental report so long as Purchaser complies with the following requirements: (i) Seller shall have the right to have a representative of Seller present for any such tests and Purchaser shall give Seller written notice at least two (2) Business Days in advance; (ii) Purchaser shall be responsible for the repair of any damage to the area in which the Phase II was conducted in a manner reasonably acceptable to Seller and upon completion of any test by Purchaser, Purchaser shall promptly return the Assets to substantially the same condition it was in prior to said test; (iii) unless required by court order or otherwise mandatory under applicable law, Purchaser shall not disclose the results of any such tests to any third parties, except for potential investors and lenders and those consultants and attorneys utilized by Purchaser in evaluating whether to proceed with the acquisition of the Assets, and only upon the condition that those third parties be instructed to keep the test results confidential; provided, however, Seller shall have the right, but not obligation to take companion samples simultaneously; and (iv) Purchaser shall use commercially reasonable efforts to ensure that any tests and/or inspections conducted by Purchaser hereunder do not unreasonably interfere with any occupants of the Community. Purchaser shall indemnify, defend and hold harmless the Seller Indemnified Parties (as defined below) from and against any and all costs, liability, damage, expense, or cause of action that the Seller Indemnified Parties may suffer or incur as a result of Purchaser's Phase II testing of the Assets; provided, however, such indemnity shall not include matters merely discovered by Purchaser (to the extent not exacerbated by Purchaser or Purchaser's representatives except in the ordinary course of the performance of such test). At Seller's request, Purchaser shall provide Seller with copies of the Phase II or any such reports to which Seller consents as provided above. Purchaser shall provide Seller with at least two (2) Business Days advance written notice of Purchaser's intent to communicate with Governmental Authorities in connection with any due diligence of the Assets (other than communication required to obtain customary information to be included in a zoning report of the Community) for Seller's reasonable approval and Seller shall have the right to participate in any such communication if Seller desires. Purchaser shall not cause any lien or claim of lien or other adverse claim to exist as against the Real Property. Purchaser shall provide Seller with at least two (2) Business Days' advance notice before entering onto the Real Property (which notice shall be via email sent to Matt Aubé at maube@silverstonehc.com, Bobby Zeiller at bzeiller@silverstonehc.com, and Kim Trapani at ktrapani@jw.com and shall specify the Studies which Purchaser intends to perform), and in each case, Seller's representative(s) shall have the right to accompany Purchaser and/or Purchaser's representatives while Purchaser and/or Purchaser's representatives are on such Real Property. If either party terminates this Agreement, Purchaser shall provide Seller copies of any Studies obtained by Purchaser and shall promptly delete and/or return all Due Diligence Items provided by Seller. Purchaser shall maintain, or cause to be maintained, and shall require that its contractors maintain, or cause to be maintained, Commercial General Liability insurance covering any accident arising in connection with their presence and activities on the Real Property, including, without limitation, products and completed operations coverage, premises liability, personal injury $1,000,000 per occurrence Bodily Injury and Property Damage, $2,000,000 annual aggregate (it is agreed such limits may be provided by a combination of primary and excess policies). Evidence of the above insurance polic(ies) must be provided in the form of a certificate of insurance prior to Purchaser or Purchaser's representatives accessing the Real Property. Such insurance polic(ies) shall be maintained in force during the term of this Agreement. In the event that Purchaser receives any notice from an insurance provider of policy cancellation, Purchaser shall promptly notify Seller of the same and Seller shall have the right to terminate this Agreement or Purchaser's access to the Real Property. In addition to the other obligations of Purchaser as set forth in this Agreement, in conducting any Studies of the Real Property, Purchaser and Purchaser's representatives shall: (a) use commercially reasonable efforts to minimize disturbance to Residents (defined below), Seller and Manager and not unreasonably interfere with the use, operation or maintenance of the Real Property or the Community, (b) not damage any part of the Real Property, the Community or any personal property owned or held by any Resident, Manager or any third party and promptly repair any damage to the Real Property resulting from such Studies; (c) not injure or otherwise cause bodily harm to Seller, Manager or their agents, guests, invitees, contractors, and employees or any Residents or their guests or invitees; (d) comply with all Applicable Laws; and (e) not communicate with Manager or any Resident about the Assets or the transaction, except as expressly permitted herein, without Seller's prior written consent, which consent may be given or withheld in Seller's sole discretion, and Seller shall have the opportunity to participate in such communication if Seller desires.

1.9 Unless Purchaser delivers written notice to Seller and Escrow Agent prior to 5:00 p.m. Eastern time on the last day of the Due Diligence Period that Purchaser is electing to go forward with the acquisition of the Assets (the "Notice to Proceed"), then this Agreement shall be deemed automatically terminated, in which event, so long as Purchaser is not in default under this Agreement, Purchaser shall promptly receive a return of the Deposit from Escrow Agent and the parties shall thereafter be released from all further duties and obligations under this Agreement except those that expressly survive termination of this Agreement. In the event that Purchaser timely delivers the Notice to Proceed, Purchaser shall be deemed to have waived its ability to terminate Agreement pursuant to this paragraph and, except as otherwise expressly set forth in this Agreement, the Deposit shall be non-refundable but applicable to the Purchase Price.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Purchaser to enter into this Agreement and to consummate the transactions contemplated herein, as of the Effective Date (except as otherwise explicitly stated herein), Seller represents, warrants and covenants the following to Purchaser:

2.1 Organization and Qualification. Seller is a duly organized limited liability company, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in Maryland, with full power and authority to own assets and to carry on its business as currently being conducted and to own and operate the Assets as and in the place now owned and operated.

2.2 Authority; Binding Effect.

(a) Seller has, and at Closing will have, the full and unrestricted right and limited liability company power and authority to execute, deliver and perform this Agreement and to consummate the transactions and perform all obligations contemplated hereby and in all agreements, instruments and documents being or to be executed and delivered by Seller in connection with such transactions, including, without limitation, the Seller Documents.

(b) This Agreement and each Seller Document, upon due execution and delivery by Seller, will constitute the legal, valid and binding obligation of Seller, each enforceable in accordance with its respective terms.

(c) Seller has obtained all required limited liability company consents and approvals required for the execution and consummation of this Agreement, the Seller Documents and all transactions contemplated hereby and thereby.

2.3 Approvals.

(a) As of ten (10) Business Days prior to the expiration of the Due Diligence Period (the "Rep Recertification Date"), Seller will provide, to Seller's Knowledge, a true, complete, and correct list of all permits, licenses, certifications, enrollments, accreditations, exemptions, variances and other authorizations issued to Seller in connection with the ownership, maintenance and operation of the Community (collectively, the "Licenses"), and as of the Rep Recertification Date, Seller shall represent and warrant to Purchaser that any Licenses that are officially issued as of the Rep Recertification Date will be valid, effective, and in good standing, except as otherwise provided in writing by Seller to Purchaser at such time.

(b) To Seller's Knowledge, Seller and Manager (as defined below), have not received written notice that Seller or the Community are in violation of any restriction or other Applicable Laws in connection with the Licenses. Upon issuance of the Licenses, Seller will be the holder of all of the Licenses, and there is no other person or entity who operates, manages or leases the Community, other than (i) GMSC Bethesda LLC, a Texas limited liability company, as manager ("Manager"), and (ii) Residents pursuant to Residency Agreements.

(c) With respect to (i) the license relating to the sale and/or service of liquor at the Community (the "Liquor License"), Seller has applied for such license from Montgomery County Alcohol Beverage Services and upon issuance of the Liquor License, will be the holder of such license, and (ii) the assisted living residence license for the Community (the "ALR License"), Seller has applied for such license from the Maryland Department of Health, Office of Health Care Quality, and upon issuance of the ALR License, will be the holder of such license.

2.4 Contracts.

(a) To Seller's Knowledge after due inquiry with Manager, as of the Rep Recertification Date, Seller will provide a true, complete, and correct list of all outstanding written contracts or agreements relating to the Assets, including any payor agreements or other agreements relating to the Business, excluding only (i) the Residency Agreements and (ii) the Equipment Leases (such contracts and agreements expressly excluding (i) - (ii), collectively, the "Contracts") and Seller will have provided to Purchaser copies of each such Contract. As of the Rep Recertification Date, each Contract shall be in full force and effect and shall valid and enforceable by Seller in accordance with its terms. Seller shall promptly send copies of any new contracts entered into between the Effective Date and the Closing Date. As of the Rep Recertification Date, following due inquiry with Manager, Seller shall represent and warrant to Purchaser that Seller has not received or sent written notice of any default under the terms of any Contracts, except as otherwise provided in writing by Seller to Purchaser at such time.

(b) As of the Rep Recertification Date, Seller shall provide Purchaser with a specimen residency or occupancy agreement for the Community and the rent roll dated as of [June 22, 2026] for the Community (the "Rent Roll"), setting forth the names of Residents pursuant to all residency or occupancy agreements in effect as the date of such Rent Roll, the unit occupied by such Resident, and to Seller's Knowledge after due inquiry with Manager, the current amounts payable under such residency or occupancy agreements, any outstanding or unapplied free rent or other concessions, and other relevant information. As of the Rep Recertification Date, all such residency or occupancy agreements in effect with Residents will hereinafter collectively be referred to as the "Residency Agreements." As such agreements are executed and become available, true, correct and complete copies of all Residency Agreements will be located at the Community and access to all Residency Agreements will be been provided by Seller to Purchaser as part of Purchaser's due diligence review.

2.5 Title to Assets and Related Matters.

(a) To Seller's Knowledge, Seller has received no written notice of any, and to Seller's Knowledge there are no, pending rezoning or other pending land use actions affecting the Assets. To Seller's Knowledge, Seller has received no written notice of any, and to Seller's Knowledge there are no, threatened or contemplated rezoning or other land use actions affecting or which will affect the Assets.

(b) To Seller's Knowledge, Seller has not received written notice of any, and to Seller's Knowledge there are no, condemnation or eminent domain proceedings pending or threatened against the Assets or any part thereof.

(c) To Seller's Knowledge, there are no outstanding options or rights of first refusal to purchase the Assets or any portion thereof or interest therein, other than the options to purchase running in favor of Seller, if any, which will be set forth in the Assumed Equipment Leases.

2.6 [Intentionally Omitted].

2.7 Equipment Leases. To Seller's Knowledge after due inquiry with Manager, as of the Rep Recertification Date, Seller will provide a true, complete and correct list of all machinery, equipment and other tangible property leased to Seller which are used at or relate to the Community (collectively, the "Equipment Leases") and Seller will have provided Purchaser copies of each such Equipment Lease. As of the Rep Recertification Date, following due inquiry with Manager, Seller shall represent and warrant to Purchaser that Seller has not sent nor received written notice that there exists any occurrence, event, condition or act which, upon the giving of notice or lapse of time or both, would become a default by Seller (or, to Seller's Knowledge, any other party thereunder) under any such Equipment Lease, except as otherwise provided in writing by Seller to Purchaser at such time.

2.8 [Intentionally Omitted].

2.9 Patriot Act. Seller is in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order"), and other similar requirements contained in the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"). Neither Seller nor, to Seller's Knowledge, any of its affiliates (a) is listed on the Specially Designated Nationals and Blocked Person List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists"), (b) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by (including, without limitation, by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other Person who had been determined by competent authority to be subject to the prohibitions contained in the Orders.

2.10 Financial Statements. Beginning on July 15, 2026, Seller shall begin monthly delivery of the Financial Statements (as defined below) to Purchaser, and as of July 15, 2026, Seller shall represent and warrant to Purchaser that the Financial Statements are true, complete and to Seller's Knowledge, accurate in all respects, present a materially accurate financial position of Seller and the operation of the Community as at such dates and the results of its operations and earnings for the periods indicated thereon, and have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods indicated.

2.11 No Litigation. As of the Rep Recertification Date, following due inquiry with Manager, Seller shall represent and warrant to Purchaser that to Seller's Knowledge, there are no actions, suits, claims, governmental investigations or other legal or administrative proceedings, or any orders, decrees or judgments in progress, pending or in effect, or threatened in writing against or relating to Seller, Manager with respect to Manager's management of the Community, the Community, or any of the Assets, and to Seller's Knowledge, there are none pending in state courts, or in any federal courts, or pending in other jurisdictions or threatened, at law or in equity, by or before any federal, state or municipal court or other Governmental Authority, except as otherwise provided in writing by Seller to Purchaser at such time.

2.12 Employee and Labor Relations. All personnel engaged in operating the Community, or who will be engaged by Seller to operate the Community, are employees of Manager and, to Seller's Knowledge, are employees-at-will. Seller has no Employees.

2.13 Knowledge Defined. As used in this Agreement, the term "Seller's Knowledge" or "Knowledge of Seller" means and is limited to the current actual knowledge of Robert H. Zeiller and Matt Aubé, the Chief Executive Officer and Managing Director and Chief Financial Officer, respectively, of Seller (collectively, the "Seller Knowledge Parties") without any duty of inquiry or investigation unless specified above; provided that so qualifying Seller's Knowledge shall in no event give rise to any personal liability on the part of the Seller Knowledge Parties or any other officer or employee of Seller or Manager on account of any breach of any representation or warranty made by Seller herein. Seller's Knowledge or the Knowledge of Seller expressly excludes constructive knowledge, imputed knowledge, or knowledge Seller or such persons do not have but could have obtained through further investigation or inquiry beyond what is required as set forth herein. No broker, agent or party other than Seller is authorized to make any representation or warranty for or on behalf of Seller.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Seller to enter into this Agreement and to consummate the transactions contemplated herein, Purchaser represents and warrants the following to Seller:

3.1 Corporate Organization; Etc. Purchaser is a limited liability company duly organized and validly existing under the laws of the State of Delaware with full power and authority to own assets and to carry on its business as it is now being conducted.

3.2 Authorization, Binding Effect. Purchaser has, and at Closing will have, the full and unrestricted right, power and authority to execute, deliver and perform this Agreement and to consummate the transactions and perform all obligations contemplated hereby and, in all agreements, instruments and documents being or to be executed and delivered by Purchaser in connection with such transactions. The consummation of the transactions contemplated herein have been duly authorized and approved by all necessary limited liability or corporate action of Purchaser. This Agreement and each such other agreement, instrument and document, upon due execution and delivery by Purchaser, will constitute the legal, valid, and binding obligation of Purchaser, enforceable in accordance with its terms.

3.3 No Conflicts. The execution, delivery and performance of this Agreement and any of the Purchaser Documents by Purchaser does not and will not conflict with or result in a breach of any of the provisions of any agreement to which Purchaser is a party.

3.4 Patriot Act. Purchaser is in compliance with the Orders. Neither Purchaser nor any of its affiliates (a) is listed on the Lists, (b) is a Person (as defined in the Order) who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by (including, without limitation, by virtue of such Person being a director or owning voting shares or interests), or acts for or on behalf of, any person on the Lists or any other Person who had been determined by competent authority to be subject to the prohibitions contained in the Orders.

ARTICLE IV.
COVENANTS OF SELLER

Seller covenants and agrees during the period after the Effective Date and through and including the Closing Date as follows:

4.1 Regular Course of Business. Seller shall at Seller's sole cost and expense: (a) maintain the Assets in good order and repair consistent with Seller's past practices and/or practices at other similar communities owned, or formerly owned, by Silverstone Senior Living ("SSL"); (b) timely pay all rents and other payments due on or before the Closing under, and otherwise maintain and comply with, all Contracts, all Equipment Leases, and all Residency Agreements; (c) following the expiration of the Due Diligence Period, not make any material changes or modifications in any existing Contracts or Equipment Leases without Purchaser's consent, which shall not be unreasonably withheld, conditioned or delayed; provided, however, if Purchaser fails to respond to a consent request within five (5) Business Days after receipt of such request, Purchaser shall be deemed to have consented. Notwithstanding the foregoing, Purchaser further acknowledges that Seller will need to enter into Contracts or Equipment Leases between the Effective Date and the Due Diligence Period, and in the event Seller desires to enter into a new Contract or Equipment Lease during the Due Diligence Period, Seller shall be permitted to do so without Purchaser's consent so long as Seller provides Purchaser with at least five (5) Business Days notice to review such Contracts or Equipment Leases; (d) be permitted to enter into new residency agreements with new Residents on substantially the same terms and conditions as are consistent with Seller's past practices and/or practices at other similar communities owned, or formerly owned, by SSL (which terms may include the Concessions (as defined below)); (e) keep in full force and effect present insurance policies through the Closing Date, or if such policies have not been entered into as of the Effective Date, enter into insurance policies consistent with Seller's past practices and/or practices at other similar communities owned, or formerly owned, by SSL; (f) use its commercially reasonable efforts to maintain in good standing all Licenses; and (g) not allow the number of Residents at the Community to exceed the legal capacity for the Community. Notwithstanding the foregoing, Seller may, without obtaining Purchaser's consent, enter into or make non-economic changes or modifications to Contracts, Equipment Leases or Residency Agreements as Seller deems reasonably necessary in an emergency situation or for the health and safety of the Residents and the Community and agrees to notify Purchaser as promptly as possible following any such emergency event.

4.2 No New Borrowing. From and after the Effective Date, Seller shall not create or cause to become effective any Monetary Encumbrance caused by, through or under Seller and not consented to by Purchaser that Seller will not release or discharge at Closing.

4.3 Taxes. Seller shall file all federal, state and local returns, and, to the extent applicable, estimates and reports and pay all amounts then due, for all taxes for all periods through and including the Closing Date to the extent due and payable at any time prior to the Closing Date hereunder and otherwise to the extent necessary to transfer the Community to Purchaser in accordance with the terms of this Agreement.

4.4 No Disposition of Assets. Except for Assets depleted and replaced in the ordinary course, Seller shall not sell, lease or otherwise dispose of or distribute any of the Assets or properties related thereto or necessary for operation of the Community and, to the extent depleted or replaced in the ordinary course, Seller shall restock and replenish any portion of the Assets consumed or used between the Effective Date and the Closing Date with Assets of equal or superior quality.

4.5 Confidentiality. Seller will use its commercially reasonable efforts to keep confidential all information relating to the terms of this Agreement and all information relating to Purchaser ("Purchaser Confidential Information") and such information shall not at any time be used for the advantage of Seller or disclosed to third parties (including Employees and Residents) by Seller or its broker, lenders, investors, attorneys, members of professional firms and Manager (and their respective agents, representatives, attorneys, consultants and employees) directly involved in the transaction contemplated by this Agreement ("Seller's Representatives"), other than to the extent necessary to consummate the transactions contemplated hereby or as mutually agreed. For purposes of the obligations of Seller and Seller's Representatives to treat Purchaser Confidential Information confidentially, the term "Purchaser Confidential Information" does not include information which: (i) is in connection with communications with Governmental Authorities regarding licensing and the Governmental Approvals (as defined below) as permitted under this Agreement; (ii) at the time of disclosure to Seller or a Seller's Representative, was generally available to the public or becomes generally available to the public after the time of disclosure; (iii) was already known to Seller or a Seller's Representative, or in Seller or any Seller's Representative's possession on a non-confidential basis prior to its disclosure to Seller or a Seller's Representative by or on behalf of Purchaser; (iv) becomes available to Seller or a Seller's Representative on a non-confidential basis from a third party not obligated to keep such information confidential; or (v) is independently developed by Seller or a Seller's Representative without use of Purchaser Confidential Information. Notwithstanding anything to the contrary hereinabove set forth, Seller may disclose such Purchaser Confidential Information on a need-to-know basis to Seller's Representatives. Seller may disclose such Purchaser Confidential Information as any governmental agency may require in order to comply with applicable laws or a court order, provided that Seller shall provide prompt prior written notice of such requirement to the extent not prohibited by law or regulation in order to enable Purchaser to seek a protective order or other appropriate remedy (if so desired) prior to such disclosure. If such remedy is not obtained or Seller otherwise remains legally compelled to disclose such Purchaser Confidential Information, Seller may disclose only such Purchaser Confidential Information that, based on the advice of its counsel or compliance professionals, it is required to disclose and will give advance notice to Purchaser of the Purchaser Confidential Information to be disclosed as is practicable and legally permissible under the circumstances. Notwithstanding anything to the contrary in this Agreement, Seller may disclose Purchaser Confidential Information requested by any regulatory or governmental agency during the course of a routine, non-targeted examination, without complying with the foregoing notice or cooperation requirements. Except as set forth in Section 13.13 of this Agreement, all other public announcements by Seller shall be subject to Purchaser's prior written approval, which may be withheld or conditioned in Purchaser's sole discretion.

4.6 Title Insurance and Survey. Prior to or within three (3) days after the Effective Date, Seller shall order, at Purchaser's sole cost and expense, a title commitment for the Community (the "Title Commitment"), issued by Stewart Title and Escrow, Inc., 4035 Ridge Top Road, Suite 150, Fairfax, VA 22030 (the "Title Company"), which Title Commitment shall contain a commitment by the Title Company to issue to Purchaser a title insurance policy on an extended coverage ALTA Owner's form (the "Title Policy"). Purchaser shall be responsible, at its sole cost and expense, for ordering a new survey for the Community (the "Survey") if desired by Purchaser. At Closing, Seller will execute and deliver such customary documents and instruments as the Title Company shall reasonably require to enable Title Company to issue the Title Policy to Purchaser in form and substance reasonably acceptable to Seller and the Title Company. No later than ten (10) days prior to the expiration of the Due Diligence Period ("Purchaser's Objection Deadline"), Purchaser shall give written notice to Seller accepting or objecting to the Title Commitment and the Survey, with any such notice of objection specifying the exceptions or other matters other than the Permitted Exceptions (defined below) to which Purchaser objects ("Purchaser's Objections"). The failure of Purchaser to object to any matter reflected in the Title Commitment or the Survey by Purchaser's Objection Deadline shall be deemed a waiver by Purchaser of any right to object to any matter so shown; provided, however, Seller shall be unconditionally obligated to pay at

Closing any outstanding indebtedness evidenced by, and cause the release of, any monetary encumbrance created by, through or under Seller (collectively, "Monetary Encumbrances"), and Seller shall have the right to apply proceeds from the Purchase Price at Closing for such purpose, irrespective of whether Purchaser objects to same. Seller will have until five (5) days prior to the expiration of the Due Diligence Period to give Purchaser its written notice of which Purchaser's Objections Seller elects to eliminate or cure, if any (a "Purchaser's Objections Response"). If Seller does not deliver a Purchaser's Objections Response within the time period set forth above, Seller shall be deemed to have elected not to eliminate or cure any Purchaser's Objections. If Seller agrees to eliminate or cure Purchaser's Objections, Seller will be obligated to do so at its cost on or before Closing. In the event Seller elects not to cure Purchaser's Objections, Purchaser must elect, within three (3) Business Days of Seller's election or deemed election not to cure, but in all events prior to the expiration of the Due Diligence Period, to accept such Purchaser's Objections without adjustment to the Purchase Price or, alternatively, elect to terminate this Agreement. In the event Purchaser so elects to terminate this Agreement, then, so long as Purchaser is not in default under this Agreement, the Deposit shall be returned to Purchaser and except for the rights and obligations which expressly survive such termination, any and all rights or obligations of Seller and Purchaser under this Agreement shall terminate and be of no further force or effect. In the event that at any time on or prior to Closing, an update of the Title Commitment or the Survey reveals any items other than Permitted Exceptions and not previously disclosed by the Title Commitment or the Survey that were not caused by or consented to by Purchaser and would have a material adverse effect on title to the Real Property or Purchaser's operation of the Assets as an assisted living facility after Closing ("Newly Arising Matters"), then Purchaser shall give notice to Seller of such Newly Arising Matters objectionable to Purchaser within three (3) Business Days after Purchaser's receipt of such Newly Arising Matters (a "Newly Arising Matters Objection Notice"), and Seller shall have five (5) Business Days from its receipt of such Newly Arising Matters Objection Notice within which to elect to cure or cause the release of the same (a "Newly Arising Matters Objection Response"). If Seller does not deliver a Newly Arising Matters Objection Response within the time period set forth above, Seller shall be deemed to have elected not to cure any Newly Arising Matters. Any Newly Arising Matters and any Purchaser Objections that Seller has agreed to cure will be cured by Seller on or before Closing, which cure may be effected by payment and discharge of the objectionable item or by causing the Title Company to remove the same as an exception or affirmatively insure over such item to adequately address Purchaser's concerns with respect to such matter. In the event Seller shall fail or refuse to cure or be deemed to have elected to refuse to cure any Newly Arising Matters or any Purchaser's Objection that Seller has agreed to cure, Purchaser shall have the right to advise Seller in writing of Purchaser's election (x) to accept such Newly Arising Matters and proceed to Closing without adjustment to the Purchase Price, or (y) to terminate this Agreement by notice to Seller, in which case, so long as Purchaser is not in default under this Agreement, the Deposit shall be refunded to Purchaser, and neither party shall have any further rights, duties or obligations hereunder except for those which expressly survive the termination hereof. For purposes of this Agreement, the term "Permitted Exceptions" shall mean the following (excluding Monetary Encumbrances): (i) all matters that are shown in the Title Commitment and/or disclosed on the Survey, other than the Purchaser's Objections that Seller agrees to cure; (ii) all matters disclosed in any update to the Title Commitment, other than the Newly Arising Matters identified in a Newly Arising Matters Objection Notice that Seller agrees to cure, (iii) local, state and federal laws, ordinances or governmental regulations, including, but not limited to zoning laws and ordinances and land use regulations, (iv) rights of tenants and residents in possession under rental agreements with respect to the Community and the Residency Agreements in effect as of Closing, as tenants only and without any right or option to purchase; (v) the lien of taxes and assessments that are not delinquent as of Closing, (vi) matters arising by, through or under Purchaser, and (vii) any rights of licensees or other third parties under any Assumed Contracts.

4.7 Financial Information. Beginning on July 15, 2026 with respect to the June Community income statements and updated rent rolls, Seller shall deliver to Purchaser monthly Community income statements and updated rent rolls (the "Financial Statements") not later than the fifteenth (15^{th}) day of the next succeeding calendar month.

4.8 SEC Financial Statements Cooperation (Rule 3-14/Item 9.01). Seller shall, and shall use commercially reasonable efforts to cause Manager to, reasonably cooperate with Purchaser and Purchaser's auditors in connection with Purchaser's preparation of any financial statements, schedules, or other financial information relating to the Real Property, the Community and/or the Business that Purchaser determines, in its good faith judgment, may be required to be filed or furnished pursuant to applicable securities laws (including, without limitation, the Securities Exchange Act of 1934, as amended) or the rules and regulations of the Securities and Exchange Commission, including the requirements of Regulation S-X (including Rule 3-14 or Rule 3-05, as applicable) and/or Item 9.01 of Form 8-K (collectively, "SEC Financial Statements"). Such cooperation may include, without limitation: (a) providing Purchaser and Purchaser's auditors reasonable access during normal business hours, upon at least two (2) Business Days' notice, to Books and Records, general ledger detail, trial balances, revenue and expense support, rent rolls and occupancy statistics, invoices and vendor agreements, bank statements (to the extent maintained for the Community), and such other information reasonably required to prepare the SEC Financial Statements; (b) making available, upon at least two (2) Business Days' notice, appropriate employees of Seller and/or Manager (and, if applicable, Seller's independent accountants) for reasonable interviews and inquiries; and (c) executing and delivering customary representation letters (in form and substance reasonably acceptable to Seller), certifications and consents, with appropriate qualifications, reasonably required by Purchaser's auditors in connection with the audit or review of any SEC Financial Statements. Purchaser shall be responsible for all out-of-pocket costs and expenses of Purchaser's auditors incurred in connection with the preparation of any SEC Financial Statements and Seller shall not be required to incur any cost or expense, and shall be promptly reimbursed by Purchaser for any out-of-pocket expenses incurred by Seller, in connection with this Section 4.8. The covenants in this Section 4.8 shall survive Closing for a period of one (1) year.

4.9 Employees; PTO and Employee Bonuses. For the avoidance of doubt, the parties intend for there to be continuity of employment at Closing. Following the expiration of the Due Diligence Period, Seller shall cause Manager to cooperate with Purchaser and Purchaser's operator in informing Manager's employees at the Community of the planned sale of the Community. After the employees have been so informed, Seller shall, and shall cause Manager to, permit and allow reasonable access by Purchaser and Purchaser's operator to meet with the employees at the Community to answer questions and concerns they may have and to make offers of post-Closing employment to any of the employees at the Community, which employees shall be allowed to accept such offers without penalty, competing offer or interference. Those employees that accept employment with Purchaser's operator shall, at Closing, become employees of Purchaser's operator and shall be referred to herein as the "Transferred Employees". At Closing, Seller shall cause Manager to terminate all of Manager's employees at the Community and shall cause Manager to pay to them any wages which are due as of the Closing Date under Manager's employment policies and Applicable Law of the state of Maryland. Purchaser agrees to cause Purchaser's operator or manager, as applicable, to extend an offer of employment to a sufficient number of employees at the Community upon sufficient terms such that Manager will not be required to give notice to the employees at the Community of the sale of the Community provided for herein under the provisions of the federal Workers Adjustment and Retraining Notification Act or any other applicable similar state or local laws (collectively, the "WARN Act"), and Purchaser shall cause Purchaser's operator or manager, as applicable, make such offers of employment at least one (1) day prior to the Closing Date. Seller shall cause Manager to pay as and when due such Employees' unused but accrued vacation, personal pay, or other paid time off and all accrued and unpaid bonuses (the "Employee Benefits") per Manager's employment policies and Applicable Law of the state of Maryland. Purchaser acknowledges and agrees that Seller is relying on Purchaser's agreement as set forth in this Section 4.9, as it relates to Manager not giving notice to the employees at the Community of the sale of the Community provided for herein under the provisions of the WARN Act, and Purchaser shall indemnify Seller for Seller Indemnified Losses under the WARN Act arising from or related to the transaction contemplated by this Agreement (including Purchaser's or Purchaser's operator's or manager's, as applicable, failure to hire a sufficient number of Manager's employees at the Community such that any advance notice obligations are triggered under the WARN Act). To the extent permitted by Applicable Law, Seller shall, or shall cause Manager to deliver to Purchaser's operator or manager, as applicable, either the originals or the full and complete copies of all employee records for all Transferred Employees. Seller and Manager shall have satisfied such obligation as long as all such employee records are present at the Community on the Closing Date. Seller shall cause Manager to remove from the Community all records of former employees who are not Transferred Employees. This Section 4.9 shall survive Closing.

4.10 Changes in Representations and Warranties. Throughout the period from the Effective Date through and including the Closing Date, Seller shall give Purchaser prompt written notice of any event, change or occurrence on or after the Effective Date that would make any representation or warranty of Seller materially inaccurate or materially incorrect as of the time of such event, change or occurrence or will prevent Seller from making the same representations and warranties as set forth herein on and as of the Closing Date (other than representations and warranties that speak as of another stated date) (a "Seller Update Notice"); provided, however, that Seller shall not be required to provide a Seller Update Notice with respect to the items identified in the final sentence of this Section 4.10 so long as Seller otherwise complies with the terms and conditions of this Agreement. If the Seller Update Notice discloses a material misrepresentation which would materially adversely affect Seller's ability to consummate the transaction or Purchaser's title to or operation of the Community after Closing, then Purchaser shall have the right to either (i) terminate this Agreement within five (5) Business Days after receipt of the Seller Update Notice, receive an immediate refund of the Deposit, or (ii) elect not to terminate this Agreement, in which event the applicable representations and warranties shall be deemed to be updated to reflect the information contained in the Seller Update Notice and Seller shall not have any liability for breach of such representations and warranties. If Purchaser does not terminate this Agreement within the time period set forth above, Purchaser shall be deemed to have elected option (ii) above. Notwithstanding the foregoing, any representations and warranties made by Seller (A) with respect to the Rent Roll, the Licenses, the Contracts, Residency Agreements and the Equipment Leases, may be updated and modified to accord with the facts as they exist as of the Closing Date without such modifications constituting a default by Seller under Article 12 herein, or a failure of a condition to the obligation of Purchaser under Article 9 herein, provided that such modifications reflect changes to the Rent Roll, Licenses, Contracts, Residency Agreements and/or Equipment Leases as expressly permitted in this Agreement, and (B) with respect to any matter other than that described in clause (A) above may be updated and modified to accord with the facts as they exist as of the Closing Date without such modifications constituting a default by Seller hereunder, provided that such modifications are not the result of any breach by Seller of any covenants expressly provided for in this Agreement.

ARTICLE V.
COVENANTS OF PURCHASER

Purchaser covenants and agrees with Seller that:

5.1 Confidentiality. Prior to Closing, Purchaser will use its commercially reasonable efforts to keep confidential all information relating to the terms of this Agreement, all information relating to Seller, and all information related to the Assets and the Community (other than information which is a matter of public knowledge) ("Seller Confidential Information") and such information shall not at any time be used by Purchaser or its broker, lenders, investors, attorneys, or members of professional firms (and their respective agents, representatives, attorneys, consultants and employees) directly involved in the transaction contemplated by this Agreement ("Purchaser's Representatives"), other than to the extent necessary to consummate the transactions contemplated hereby or as mutually agreed by Seller and Purchaser. For purposes of the obligations of Purchaser and Purchaser's Representatives to treat Seller Confidential Information confidentially, the term "Seller Confidential Information" does not include information which: (i) is in connection with communications with Governmental Authorities regarding licensing and the Governmental Approvals as permitted under this Agreement; (ii) at the time of disclosure to Purchaser or a Purchaser's Representative, was generally available to the public or becomes generally available to the public after the time of disclosure; (iii) was already known to Purchaser or a Purchaser's Representative, or in Purchaser or any Purchaser's Representative's possession on a non-confidential basis prior to its disclosure to Purchaser or a Purchaser's Representative by or on behalf of Seller; (iv) becomes available to Purchaser or a Purchaser's Representative on a non-confidential basis from a third party not obligated to keep such information confidential; or (v) is independently developed by Purchaser or a Purchaser's Representative without use of Seller Confidential Information. Notwithstanding anything to the contrary hereinabove set forth, Purchaser may disclose such Seller Confidential Information on a need-to-know basis to Purchaser's Representatives. Purchaser may disclose such Seller Confidential Information as any governmental agency may require in order to comply with applicable laws or a court order, provided that Purchaser shall provide prompt prior written notice of such requirement to the extent not prohibited by law or regulation in order to enable Seller to seek a protective order or other appropriate remedy (if so desired) prior to such disclosure. If such remedy is not obtained or Purchaser otherwise remains legally compelled to disclose such Seller Confidential Information, Purchaser may disclose only such Seller Confidential Information that, based on the advice of its counsel or compliance professionals, it is required to disclose and will give advance notice to Seller of the Seller Confidential Information to be disclosed as is practicable and legally permissible under the circumstances. Notwithstanding anything to the contrary in this Agreement, (i) Purchaser may disclose Seller Confidential Information requested by any regulatory or governmental agency during the course of a routine, non-targeted examination, without complying with the foregoing notice or cooperation requirements, (ii) Purchaser may disclose Seller Confidential Information to the extent required by the Securities Exchange Act of 1934, as amended and the rules and regulations of the Securities and Exchange Commission and (iii) Purchaser may disclose Seller Confidential Information in connection with a customary earnings press release or transaction announcement press release and such press release will be subject to the review and approval of the Seller with such approval not to be unreasonably withheld, so long as Purchaser provides Seller at least five (5) Business Days' notice prior to such announcement and Purchaser acknowledges and agrees that Seller shall have the right to communicate information regarding this transaction to the Residents prior to Purchaser's press release or transaction announcement press release.

5.2 Indemnification with Respect to Access to the Real Property. Purchaser hereby indemnifies and holds Seller and its partners, members, managers, officers, directors and affiliates and their respective partners, members, managers, officers, directors, employees, agents and representatives (collectively, "Seller Parties", each a "Seller Party") harmless from and against any claims for injury or death to persons, damage to property, or other losses, liens, damages, expenses (including reasonable attorneys' fees) or claims to the extent arising from any action or inaction of Purchaser or Purchaser's representatives in conducting the Studies or breach of the terms and conditions with respect to Purchaser's access to the Real Property set forth in this Agreement provided, that Purchaser shall have no liability to, nor shall it indemnify, any Seller Party to the extent that any claims arise from conditions existing on or at the Real Property prior to Purchaser and Purchaser's representatives conducting of any Studies (i.e., latent environmental contamination) so long as Purchaser's or Purchaser's representative's actions do not aggravate any pre-existing condition and liability of such Seller Part(ies) and then, Purchaser's liability shall be limited only to the extent of the aggravation directly and proximately caused by Purchaser or Purchaser's representatives. Purchaser waives and releases any claims, damages or other remedies of any kind whatsoever against the Seller Parties for property damage or bodily injury or death of Purchaser or Purchaser's representatives arising out of entry onto the Real Property, except to the extent arising out of gross negligence or willful misconduct of any Seller Party. The provisions of this Section 5.2 shall survive any termination of this Agreement for a period of twenty-four (24) months. Purchaser further undertakes that any damage occasioned to the Real Property, Personal Property or the Community caused by Purchaser or Purchaser's representatives as a result of any such Studies shall be cured by Purchaser restoring the Real Property, Personal Property or portion of the Community disturbed or damaged back to its pre-entry and pre-disturbed state at its sole cost and expense and at no cost to Seller.

5.3 Assumption of Contracts and Equipment Leases. Purchaser shall be deemed to have elected to assume all Contracts and all Equipment Leases other than Seller's existing Management and Marketing Services Agreement between Seller and Manager dated June 11, 2024 (the "Existing Management Agreement") and leasing agreement, if any, which assumed Contracts and Equipment Leases are referred to as the "Assumed Contracts" and the "Assumed Equipment Leases". At Closing, Purchaser, and Manager, if applicable, and Seller shall execute and enter into the form of assignment and assumption agreement attached hereto as Exhibit B (the "Assignment and Assumption Agreement") whereby Seller and Manager, if applicable shall assign and Purchaser shall assume the Assumed Contracts, the Assumed Equipment Leases and the

Residency Agreements. Seller shall bear any costs and expenses of obtaining any consents to such assumption of the Assumed Contracts and the Assumed Equipment Leases. All amounts received or payable under the Assumed Contracts and the Assumed Equipment Leases shall be prorated through the Closing Date pursuant to Section 11.3 and Section 11.5.

5.4 Resident Records. Purchaser understands that all of the Resident Records are being transferred to Purchaser subject to the requirements of Applicable Laws. In addition, if and to the extent permitted by Applicable Law, Purchaser agrees to allow Seller, or Seller's agents or representatives upon reasonable advance notice, to examine from time to time such Resident Records relating to the period of Seller's operation of the Community, to promptly cooperate with Seller, Seller's agents or representatives in their examination or review of such Resident Records, and to permit Seller to make copies thereof, upon request.

5.5 Cooperation. Purchaser shall cooperate with Seller and provide reasonable access to the Books and Records in Purchaser's possession which are required by Seller to respond to any litigation, government audit or third-party payor audit, upon reasonable advance notice and to the extent permitted by Applicable Law.

5.6 Governmental Approvals.

(a) Purchaser hereby acknowledges and agrees that pursuant to Maryland law, the Liquor License shall terminate at Closing and Purchaser shall be solely responsible for obtaining a new liquor license for the Community issued by Montgomery County Alcohol Beverage Services for the benefit of Purchaser or its designee (the "New Liquor License"); provided, however, if the New Liquor License has not been issued as of the Closing Date, the Liquor License shall remain in effect in accordance with the terms and conditions in this Section 5.6(c). Purchaser hereby acknowledges and agrees that pursuant to Maryland law, the existing ALR License shall terminate at Closing and Purchaser shall be solely responsible for obtaining a new Assisted Living Residence License issued by the Maryland Department of Health, Office of Health Care Quality, benefiting Purchaser or its designee (a "New ALR License"; together with the New Liquor License, the "New Licenses"); provided, however, if the New ALR License has not been issued as of the Closing Date, the ALR License shall remain in effect in accordance with the terms and conditions in this Section 5.6(c).

(b) Purchaser acknowledges and agrees that as of the Effective Date, Seller has not yet been issued the Liquor License or ALR License, and Purchaser shall not submit applications for the New Licenses to the applicable Governmental Authorities until Seller provides written confirmation of its receipt of the Liquor License and the ALR License. Notwithstanding the foregoing, promptly following Seller's notice to Purchaser of its receipt of the Liquor License and the ALR License (but in any event, no later than forty-five (45) days prior to the date Purchaser reasonably expects the New Licenses to be issued), Purchaser shall make or cause Purchaser's operator to make all required filings with the applicable Governmental Authorities, and shall promptly seek to obtain all permits, approvals, authorizations and consents of all Governmental Authorities required in connection with the New Licenses, including, without limitation, filing applications to obtain all necessary or appropriate approvals for including, without limitation, the New Licenses, agreements, certificates and other consents from all Governmental Authorities and third parties, and any district, or other governmental agency or administrative body that authorizes or regulates the operation of the Community (individually and collectively, "Governmental Approvals"). Seller shall also provide notice to the applicable Governmental Authorities (the "Transfer Notice") no later than forty-five (45) days prior to the date Purchaser reasonably expects the New Licenses to be issued, and such Transfer Notice shall state how the Residents and their representatives will be informed of change of ownership, and the steps Purchaser will take to help the Residents secure comparable housing and assistance, if necessary. Upon Purchaser's or Seller's written request for such required information, as applicable, Seller or Purchaser shall, or Seller shall cause Manager to, reasonably cooperate with the other party in providing such information necessary for such party to submit all such applications and required documents to the Governmental Authorities for the New Licenses. Each party shall furnish promptly to each other party all information that is not otherwise available to the other party and required in connection with the Governmental Approvals that such party may reasonably request in connection with any such filing. Purchaser shall keep Seller reasonably informed as to its progress with respect to obtaining the Governmental Approvals. In the event that this Agreement is terminated after Purchaser has made filings with Governmental Authorities for the Governmental Approvals, Purchaser shall promptly withdraw such filings at Purchaser's sole cost and expense and shall notify Seller when such withdrawal is complete. This obligation to withdraw such filings survives termination of this Agreement. The provisions of this Section 5.6(b) shall survive Closing.

(c) Seller and Purchaser acknowledge and agree that the parties are unlikely to receive the New Licenses prior to the Closing Date, and therefore, Seller and Purchaser's operator shall enter into such documents and agreements as may be necessary and permitted under applicable laws to cause the existing license holder to remain in place as the licensee, subject to, if required, the prior notice to, or approval of, such temporary arrangement from all relevant federal, state, and local governmental or administrative agencies or authorities, or other relevant parties (as applicable) (collectively, the "Bridging Documents") until the New Licenses are obtained. Such Bridging Documents shall include, to the extent the applicable New Licenses are not obtained at least three (3) business days prior to Closing, (i) a duly executed agreement pursuant to which Purchaser or Purchaser's operator assumes management of the Community on the Closing Date and manages as a tenant, subtenant and/or manager operating under Seller's license and authority until such time as the New ALR License is issued in Purchaser's or Purchaser's operator's name, which lease/management will be noneconomic (i.e. no rent or management fees will be paid or payable by either party) and will be solely to facilitate the transition of management to Purchaser or Purchaser's operator (the "Interim Management Agreement"), (ii) a duly executed agreement pursuant to which Purchaser or Purchaser's operator subleases the Property to the licenseholder until such time as the New ALR License is issued in Purchaser's or Purchaser's operator's name, which sublease will be noneconomic (i.e. no rent or other amounts will be paid or payable by either party) and will be solely to facilitate the transition of management to Purchaser or Purchaser's operator (the "Interim Sublease Agreement"), and (iii) a duly executed agreement pursuant to which Purchaser or Purchaser's operator assumes operations of the Community on the Closing Date and operates as a tenant, subtenant or manager operating under the Community's existing Liquor License until such time as the New Liquor License is issued in Purchaser's or Purchaser's operator's name, which lease/management will be noneconomic (i.e. no rent or management fees will be paid or payable by either party) and will be solely to facilitate the transition of operations to Purchaser or Purchaser's operator (the "Interim Liquor License Agreement"). The parties have agreed on the forms of the Bridging Documents which are attached hereto as Exhibit H. Purchaser and Seller shall promptly notify and keep the other reasonably advised as to (i) any communication from all such Governmental Authorities regarding any of the transactions contemplated in this Section, and (ii) any claim or proceeding pending and known to such Party or, to such Purchaser's knowledge or Seller's knowledge, as applicable, threatened in writing, which challenges the transactions contemplated by this Article V. In furtherance and not in limitation of the foregoing, Purchaser and Seller shall reasonably cooperate and use their respective commercially reasonable efforts to obtain the New Licenses, and to respond to any request for information from any governmental authority having jurisdiction over the applicable Property or such other Persons from which or whom such New Licenses are sought. Seller shall provide, to the extent in Seller's possession or control, all financial and other information with respect to such Seller's Property and the operation thereof as may be reasonably requested by the Governmental Authorities from time to time in connection with the New Licenses. The provisions of this Section 5.6(c) shall survive Closing.

5.7 Changes in Representations and Warranties. Throughout the period from the Effective Date through and including the Closing Date, Purchaser shall give Seller prompt written notice of any representation and warranty made by Purchaser in this Agreement which becomes materially inaccurate or incorrect, to the extent Purchaser obtains knowledge of such inaccuracy or incorrectness.

5.8 New Management Agreement. Purchaser, or Purchaser's designated affiliates, shall use good faith efforts to negotiate a new property/operations management agreement for the Assets with Manager (the "New Management Agreement"), to be effective as of the Closing Date, providing that Manager will manage the Assets upon Closing. The parties acknowledge that Purchaser may implement an operating structure consistent with Article VI, and accordingly Seller and Purchaser agree that the New Management Agreement shall include customary provisions evidencing that Manager is acting as an independent contractor (and not as an agent) and that nothing therein is intended to create a partnership or joint venture between the real estate owner and Manager. Notwithstanding the foregoing, Purchaser shall use best efforts to agree to the final form of the New Management Agreement with Manager prior to the expiration of the Due Diligence Period (as evidenced by written confirmation in Purchaser's Notice to Proceed), and in the event that Purchaser and Manager have not agreed to a final form prior to the expiration of the Due Diligence Period and Purchaser issues a Notice to Proceed, Purchaser shall use best efforts to enter into a form new management agreement with Manager or a different property manager prior to the Closing Date. For the avoidance of doubt, Purchaser's failure to enter into a New Management Agreement with Manager, or a different form of new management agreement with a different property manager, as of the Closing Date shall not constitute a condition to the obligation of Purchaser to close under Article IX.

5.9 Consulting Agreement. Purchaser shall use good faith efforts to negotiate and agree to a form of consulting agreement for the Assets with Seller (the "Consulting Agreement"), to be effective as of the Closing Date, providing that Seller, or Seller's designated affiliates, will consult on the operation of the Assets following Closing. Notwithstanding the foregoing, Purchaser and Seller shall have agreed to the final form of the Consulting Agreement, in a form mutually agreeable to Purchaser and Seller prior to the expiration of the Due Diligence Period, and in the event that Purchaser and Seller have not agreed to a final form prior to the expiration of the Due Diligence Period, Purchaser shall be deemed to have waived its right to terminate this Agreement for failure of Purchaser and Seller to agree upon a Consulting Agreement, and the final form of

Consulting Agreement proposed by Seller prior to the expiration of the Due Diligence Period shall be deemed the agreed-upon Consulting Agreement.

5.10 Residency Agreements. Purchaser shall assume all Residency Agreements in effect as of the New ALR License issuance date (the "ALR License Transfer Date") with the Residents of the Community; provided, however, Purchaser acknowledges and agrees that in order to comply with requirements of the Office of Health Care Quality ("OHCQ"), Purchaser shall be required to enter into an addendum between Purchaser's licensed entity (the "Landlord") and the applicable resident clarifying that such agreements is, as of the New ALR License issuance date, between the Landlord and the applicable resident (the "Residency Agreement Addendum"). Purchaser shall also indemnify the Seller Indemnified Parties (as defined below) from any Seller Indemnified Losses (as defined below) which the Seller Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with Purchaser's failure to execute all such Residency Agreement Addendums. The provisions of this Section 5.10 shall survive Closing.

ARTICLE VI.
SENIORS HOUSING OPERATING PORTFOLIO TAX COMPLIANCE; OPERATING STRUCTURE

The parties acknowledge that Purchaser intends to acquire the Community as part of a seniors housing operating portfolio and may utilize one or more ownership and operating structures intended to achieve customary tax compliance objectives for such investments (including, if applicable, compliance with the Internal Revenue Code of 1986, as amended (the "Code"), and applicable REIT rules). Without limiting Purchaser's rights under Section 13.6 (Assignment), Seller shall reasonably cooperate with Purchaser to facilitate such structure(s), including the matters set forth below.

6.1 Operating Structure Definitions. For purposes of this Agreement: (a) "Owner" means the entity or entities designated by Purchaser to acquire and hold title to the Real Property; (b) "Operating Entity" means the entity or entities designated by Purchaser (which may include an affiliate of Purchaser) to lease the Real Property from the Owner and/or to conduct, directly or through other permitted entities, the operations of the Community; (c) "Independent Operator" means a third-party operator or manager (including an independent contractor) engaged to manage and/or operate the Community for the Operating Entity pursuant to an operating agreement or management agreement; and (d) "Operating Structure Documents" means the customary documents (if any) implementing the foregoing structure, which may include one or more leases, subleases, management agreements, sub-management agreements, operating agreements, estoppels, consents, certificates and acknowledgements.

6.2 Structure; Designation of Closing Entities. Purchaser may designate one or more affiliates and/or other entities, including an Owner and/or an Operating Entity, to take and/or acquire some or all of the Personal Property and other Assets at Closing, and provided that Purchaser otherwise complies with the terms and conditions of Section 13.6, Seller shall convey such Assets to such designee(s) in accordance with Purchaser's written direction delivered to Seller at least five (5) Business Days prior to Closing. No additional consent of Seller shall be required for such designation, and any such designee(s) shall be deemed Purchaser's Permitted Assignee(s) for purposes of Section 13.6.

6.3 Operating Agreements; Owner/Operator Separation. At or prior to Closing, Purchaser may cause the Owner and the Operating Entity (and/or other applicable affiliates) to enter into one or more customary arrangements to evidence the leasing and/or operation of the Community, and may cause the Operating Entity (and/or its permitted operator entity) to enter into an operating agreement or management agreement or sub-management agreement with an Independent Operator (collectively, the "Operating Agreements") to be effective after and contingent upon Closing. Seller shall (and shall use commercially reasonable efforts to cause Manager to) reasonably cooperate, at no out-of-pocket cost or expense to Seller (except as otherwise provided herein), in connection with the documentation and implementation of the Operating Structure Documents, including by executing customary estoppels, consents, certificates and acknowledgements, each in form and substance reasonably acceptable to Seller, as may be reasonably requested by Purchaser, the Owner, the Operating Entity, any lender, and/or the title company; provided that Seller shall not be required to incur any liability or make any representation or warranty beyond those expressly set forth in this Agreement. The parties further acknowledge and agree that Seller shall not operate the Community after Closing and that, to the extent Purchaser's structure requires separation of ownership and operations for tax compliance purposes, (i) the Independent Operator (and not the Owner) will have day-to-day responsibility for operating the Community pursuant to the Operating Agreements, (ii) the Operating Agreements will provide that the Independent Operator is acting as an independent contractor (and not as an agent) of the Owner, and (iii) nothing in the Operating Structure Documents will be intended to create a partnership, joint venture or similar relationship between the Owner and the Independent Operator.

ARTICLE VII.
OTHER COVENANTS

7.1 Rents; Accounts Receivable; Move-in Deposits and Move-In Fees.

(a) Prior to the Closing, Seller shall or shall use commercially reasonably efforts to, as applicable, cause the Manager to bill the Residents in the ordinary course of business for amounts due under Residency Agreements in advance. Purchaser shall have responsibility for billing the amounts due under the New Residency Agreements after the Closing Date. In addition, Seller also bills Residents for certain private pay items that are billed in arrears (including, if applicable, for items such as beauty services, meal tray delivery, long distance telephone charges, cable television, guest meals, therapy services and other similar items) attributable to the calendar month of Closing. The portion of all rents under the Residency Agreements and all service fees under the Residency Agreements (the "Rents and Fees") allocable to the time period before the Closing Date shall be allocated to Seller and the portion thereof allocable to the time period under the New Residency Agreements from and after the Closing Date shall be allocated to Purchaser and will be accounted for as part of the reconciliation process set forth in Section 11.5 below and Purchaser shall make the reimbursements.

(b) Delinquent Rents and Fees for the period prior to the Closing Date will remain the property of Seller. Seller shall retain all rights in and title to all pre-closing accounts receivable except to the extent any portion relates in part to dates after the Closing Date. With respect to the collection of delinquent Rents and Fees prior to the Closing Date, as to (i) former Residents or commercial tenants who are not Residents or commercial tenants on the Closing Date, Seller may conduct whatever collection actions it deems commercially necessary and reasonable to recover such past due amounts, and (ii) Residents or commercial tenants who are Residents or commercial tenants on the Closing Date, Seller may not conduct any collection activity; provided, however, that Purchaser covenants and agrees to deliver past due notices and statements to the applicable Residents or commercial tenants for the first thirty (30) days after Closing and Seller covenants and agrees to write off any such amounts not collected within such thirty (30) day period. Seller agrees that Seller will not evict any Resident or commercial tenant at the Community after the expiration of the Due Diligence Period without Purchaser's prior written consent, which consent shall not be unreasonably delayed, conditioned or withheld (provided, however, the parties agree that Purchaser's consent may be reasonably withheld if required to comply with Purchaser's tax structure or rules and regulations related thereto); provided further, however, that Seller may, without obtaining Purchaser's consent, evict any Resident or commercial tenant at the Community as Seller deems reasonably necessary in an emergency situation or for the health and safety of the Residents and the Community. Seller shall promptly provide Purchaser with written notice of any such eviction action after the commencement of the same.

(c) All Rents and Fees received by either party after the Closing Date from any Resident or commercial tenant which do not specify the service dates for which such payment relates will be applied as follows: (i) first, to rent and service fees of that Resident or commercial tenant due and payable to Purchaser and (ii) second, to the delinquent rents and service fees of that Resident or commercial tenant attributable to the periods before the Closing Date. All payments received by either Purchaser or Seller from Residents which specify a date of service for such Residents shall be credited to the party who rendered the services on the specified dates.

(d) With respect to Community fees, deposits and move-in fees paid by any Resident of the Community who has not moved into the Community prior to the Closing Date (such deposits and fees, collectively "Move-in Deposits"), Purchaser shall be entitled to a credit at Closing for the portion of such Move-in Deposits that are refundable to any such Resident as of the Closing Date in accordance with the term of the applicable Residency Agreement or pursuant to applicable law. Seller shall deliver a list of such Move-in Deposits seven (7) Business Days prior to the Closing Date.

(e) With respect to any reimbursable concessions, including without limitation, "Wrap, Pack & Move" or closet allowance concessions, as such available Concessions are more specifically described on Exhibit F attached hereto (collectively, the "Concessions"), that are offered to Residents prior to Closing but have not been reimbursed to such Residents prior to the Closing Date (collectively, the "Pre-Closing Concessions"), Purchaser shall be entitled to a credit at Closing for the portion of such Pre-Closing Concessions that have not been reimbursed to such Residents as of the Closing Date. Seller shall deliver a list of such Pre-Closing Concessions seven (7) Business Days prior to the Closing Date.

(f) At the Closing, Purchaser shall receive a credit equal to all rents received by Seller through and including the date one (1) day prior to the Closing Date for the month in which the Closing occurs prorated as of the Closing Date, subject to the reconciliation process set forth in Section 11.5 below (but only to the extent that such deposits were actually received by Seller or Manager and have not otherwise been applied by Seller to any obligations of any Residents under the Residency Agreements). To the extent that checks for amounts due under any

Residency Agreements are made payable to the name of the Community or a variation thereof, Purchaser and Seller shall cooperate in order to ensure funds relating to periods prior to the Closing Date are credited to or received by Seller (subject to the provisions of Sections 7.1(c) and 11.5) and checks relating to period on or after the Closing Date are credited to or received by Purchaser.

(g) Each party agrees that they will provide each other with any information reasonably required to enable either party to complete its billing to Residents and commercial tenants.

ARTICLE VIII.
INDEMNIFICATION; CREDIT SUPPORT

8.1 Indemnification by Seller.

(a) If Closing occurs, Seller shall indemnify, protect, defend, exculpate and hold Purchaser, Purchaser's Permitted Assignees (defined below) and each of their partners, directors, members, shareholders, officers, employees and agents (collectively, "Purchaser Indemnified Parties") harmless from and against, and agree promptly to defend Purchaser Indemnified Parties from and reimburse Purchaser Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) (collectively, "Purchaser Indemnified Losses") which Purchaser Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Any breach, inaccuracy, misrepresentation or omission in any of the representations or warranties made by any Seller in (a) this Agreement or any Exhibit or Schedule hereto, or (b) any instrument, certificate or affidavit delivered by Seller at Closing, but not if Seller delivers to Purchaser a Seller Update Notice with respect to such breach, inaccuracy, misrepresentation or omission and Purchaser elects to go forward with Closing pursuant to Section 4.10 above or Purchaser otherwise has actual knowledge of such breach, inaccuracy, misrepresentation or omission prior to Closing and elects to go forward with Closing notwithstanding the same to the extent Purchaser would have had the right to terminate this Agreement on account of the same; and

(ii) Any breach of any covenant, agreement or undertaking made by Seller under this Agreement which expressly survives Closing or as set forth in any instrument, certificate or affidavit delivered by or on behalf of Seller at Closing.

(b) Notwithstanding anything to the contrary contained herein, Seller shall be liable for Purchaser Indemnified Losses pursuant to Section 8.1(a)(i) and (ii) only if the aggregate amount of such Purchaser Indemnified Losses exceeds the amount of Twenty-Five Thousand and No/100 Dollars ($25,000.00) (the "Basket"), after which Seller shall be responsible for any such Purchaser Indemnified Losses, up to an aggregate cap of three percent (3%) of the Purchase Price (the "Cap"). Nothing set forth in this Article VIII or elsewhere in this Agreement or in any instrument, certificate, affidavit or Closing documents shall limit, affect or circumvent the provisions of Section 13.15 (As Is). Purchaser's sole post-Closing remedy against Seller under this Agreement or any closing documents shall be as set forth under the terms of this Article VIII and all Seller liability other than liabilities arising from fraud or the willful misconduct of Seller under this Agreement shall be subject to the Cap. Notwithstanding anything contained in this Agreement to the contrary, with respect to all matters affecting title to the Real Property (and/or any portion thereof), and any liens or other encumbrances affecting the Real Property (and/or any portion thereof), but expressly excluding Monetary Encumbrances which Seller is obligated to discharge on or before Closing, Purchaser acknowledges and agrees that it is solely relying upon the Title Policy. If Purchaser has any claim under the Title Policy under this Agreement, Purchaser agrees that it will look first to the Title Policy for recovery on such claim, and Purchaser shall not assert any claim against Seller for a breach of a representation, warranty, or covenant with respect to such claim. This obligation to first rely on the Title Policy shall survive the Closing.

(c) Claims for Purchaser Indemnified Losses by Purchaser Indemnified Parties may only be brought by such Purchaser Indemnified Party if Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim, it being the parties' intent that Purchaser Indemnified Parties other than Purchaser (or Purchaser's Permitted Assignees, if applicable) not have a separate and independent right to assert an indemnification claim pursuant to this Agreement unless Purchaser (or Purchaser's Permitted Assignees, if applicable) joins in making such claim.

8.2 Indemnification by Purchaser.

(a) If Closing occurs, Purchaser shall indemnify, protect, defend, exculpate and hold Seller, and Seller's respective stockholders, partners, members, directors, officers, employees and agents (collectively, "Seller Indemnified Parties") harmless from and against, and agree promptly to defend Seller Indemnified Parties from and reimburse Seller Indemnified Parties for, any and all losses, damages, costs, expenses, liabilities, obligations, penalties, interest and claims of any kind (including, without limitation, costs of investigation, reasonable attorneys' fees and other legal costs and expenses) (collectively, "Seller Indemnified Losses") which Seller Indemnified Parties may at any time suffer or incur, or become subject to, as a result of or in connection with:

(i) Any and all obligations of Purchaser (or Purchaser's affiliates and agents) of any nature whatsoever, including, without limitation, all liabilities and obligations with respect to claims, damages or injury related to or arising out of Purchaser's ownership, leasing or operation of the Real Property, the Personal Property, the Community or any other Assets after the Closing Date, except such obligations as may be assumed or retained by Seller;

(ii) Any breach, inaccuracy, misrepresentation or omission of any of the representations or warranties made by Purchaser in or pursuant to (a) this Agreement or any Exhibit or Schedule hereto or (b) any instrument, certificate or affidavit delivered by Purchaser at Closing, but not if Seller has actual knowledge of such breach, inaccuracy, misrepresentation or omission prior to Closing and elects to go forward with Closing notwithstanding the same; and

(iii) Any breach of any covenant, agreement or undertaking made by Purchaser under this Agreement which expressly survives Closing or as set forth in any instrument, certificate or affidavit delivered by or on behalf of Purchaser at Closing.

(b) Claims for Seller Indemnified Losses by Seller Indemnified Parties may only be brought by such Seller Indemnified Party if Seller joins in or consents to making such claim, it being the parties intent that Seller Indemnified Parties other than Seller not have a separate and independent right to assert an indemnification claim pursuant to this Agreement unless Seller joins in making such claim.

8.3 Survival Period. All of the representations and warranties of the parties contained in this Agreement shall survive the Closing and continue in full force and effect for a period of twelve (12) months after the Closing (the "Survival Period"). All of the other covenants of the parties contained in this Agreement to be performed after Closing shall survive the Closing until such covenants are fully satisfied or performed (including continuing performance during a post-Closing time period specified herein with respect to such covenant). The period after the Closing Date during which a claim for indemnification may be asserted under this Agreement by an indemnified party under this Agreement shall commence on the Closing Date and terminate at the expiration of the Survival Period.

Notwithstanding the foregoing, if prior to the close of business on the last day of the Survival Period, an Indemnifying Party shall have been properly notified of a claim for indemnity and such claim shall not have been finally resolved or disposed of at such date, such claim shall continue to survive and shall remain a basis for indemnity hereunder until such claim is finally resolved or disposed of in accordance with the terms hereof.

8.4 Intentionally Omitted.

8.5 Method of Indemnification.

(a) In the event of any claim which a party to this Agreement is to be indemnified under the provisions of this Article VIII, such party (the "Indemnitee") shall notify the indemnifying Party (the "Indemnitor") in writing of Indemnitee's claim within the earlier of one hundred eighty (180) days following the date on which the Indemnitee first became aware of the claim and the end of the Survival Period (which written notice shall specify in reasonable detail the basis of such claim, including the specific provision(s) of this Agreement that the Indemnitee alleges to have been materially breached by the Indemnitor, if applicable, and the nature and amount of the losses allegedly incurred by the Indemnitee). In the event of a claim pursuant to Section 8.1(a)(i)-(ii) or Section 8.2(a)(i)-(iii), if the Indemnitee files an action against the Indemnitor for any claim, such action shall be filed before the day prior to the second anniversary of the Closing Date. The parties stipulate that the periods of time referenced above to give written notice of the alleged claim and to file the action with respect to such claim are reasonable and hereby waive any claims to the contrary. If the Indemnitee fails to timely notify the Indemnitor in writing or file such action within the required time periods as described above, such action shall be barred and the Indemnitor will not be obligated to indemnify the Indemnitee with respect to such claim.

(b) If a claim relates to a claim made by a third party against an Indemnitee, then the Indemnitor at its sole cost and expense shall defend, with counsel reasonably satisfactory to the Indemnitee, such claim by all appropriate proceedings, which proceedings will be diligently prosecuted to a final conclusion or will be settled at the discretion of the Indemnitor (with the consent of the Indemnitee, which shall not be unreasonably withheld and which shall be deemed to be provided if such settlement provides a release to the Indemnitee without the payment of any amount or the taking of any action or admission of liability by the Indemnitee). The Indemnitee will cooperate in such defense at the sole cost and expense of the Indemnitor. Notwithstanding the foregoing, if the named parties to any proceeding include both the Indemnitee and the Indemnitor and, in the reasonable opinion of counsel to the Indemnitee, representation of both parties by the same counsel would be in conflict or otherwise inappropriate due to actual or potential differing interests between them, then the Indemnitee shall be entitled to retain separate counsel for the Indemnitee, at the expense of the Indemnitor (provided that the costs and expenses of such separate counsel are reasonable).

ARTICLE IX.
CONDITIONS TO THE OBLIGATIONS OF PURCHASER

Each and every obligation of Purchaser under this Agreement, except for the obligations of Purchaser to be fulfilled prior to the Closing and obligations that survive termination of this Agreement, shall be subject to the satisfaction, on or before the Closing, of each of the following conditions set forth in this Article IX, unless waived in writing by Purchaser or as otherwise set forth in Section 9.2 below. In the event that any of the conditions set forth in this Article IX are not satisfied or waived in writing by Purchaser on or before the Closing Date, then Purchaser may, by notice to Seller, terminate this Agreement, whereupon Escrow Agent shall upon request by Purchaser, so long as Purchaser is not in default under this Agreement, refund the Deposit to Purchaser and neither party shall have any further rights, duties or obligations hereunder except for those provisions which expressly survive termination of this Agreement; provided, however, in the event such failure to satisfy a condition is a result of Seller’s default hereunder, the provisions of Section 12.1 shall apply. The conditions under this Article IX are as follows:

9.1 Representations and Warranties; Performance.

(a) Subject to Section 4.10 above, the representations and warranties made by Seller herein and in the Seller Documents shall be true, complete, and correct in all material respects (other than representations and warranties which are qualified by materiality which shall be true and complete in all material respects) as of the Effective Date (or the Rep Recertification Date, as applicable) and at and as of the Closing, with the same effect as though made on and as of such date (other than those representations and warranties that speak as of another stated date, which representations and warranties shall have been true and correct in all material respects as of such date).

(b) Seller shall not be in default, after notice and opportunity to cure as set forth in Section 12.3 below, of any material covenants pursuant to this Agreement or any Seller Documents in any material respect as of Closing.

9.2 No Destruction or Condemnation of Real Property. The Community shall not have suffered material damage, destruction or condemnation loss not caused by Purchaser or its employees, agents, subcontractors or third party inspectors (nor shall either party have received notice of an impending material condemnation loss). If, after the Effective Date, the Community incurs damage, destruction or condemnation loss not caused by Purchaser or its employees, agents, subcontractors or third party inspectors (or either party has received notice of an impending condemnation loss) which is material damage, destruction or loss, Purchaser may, by delivery of written notice to Seller within thirty (30) days thereafter, either (i) terminate this Agreement or (ii) waive its right to terminate this Agreement under this Section 9.2. If Purchaser fails to deliver Seller a notice of termination within the time period set forth above, Purchaser shall be deemed to have elected option (i) above. If, after the Effective Date, the Community incurs damage, destruction or condemnation loss (or either party has received notice of an impending condemnation loss) which is not material damage, destruction or loss, or Purchaser waives its right to terminate this Agreement due to material damage, destruction or loss, then Seller may elect, in its sole discretion, to either (a) pay or assign to Purchaser all of Seller's right to the proceeds of any condemnation award or insurance proceeds in connection therewith and proceed to Closing without making repairs, subject to the rights of any mortgagee with a credit against the Purchase Price equal to any amounts paid over to such mortgagee and with a credit against the Purchase Price equal to the amount of any deductible, co-payment or other reduction in proceeds (including any amount by which the estimated cost of repair exceeds any available insurance proceeds) and the Purchase Price shall be reduced by Seller's and Purchaser's mutually agreed reasonable estimate in writing of the amount by which the cost to repair the portion of the Assets affected by such damage, destruction, or loss exceeds such award, or (b) repair any such damage, destruction or loss (in all instances to restore the Community to full functional status consistent with prior operation (to the extent permitted by Applicable Law) before Purchaser shall be obligated to proceed to Closing. In the event Seller elects option (b) above, the Closing Date may be extended for a period not to exceed sixty (60) days to allow Seller to complete such repairs; provided, however, that no Purchase Price Increase shall be due as a result of Seller's election to extend the Closing Date in connection with this Section 9.2. For the purposes of this Section 9.2, "material damage, destruction or loss," shall mean destruction of or damage to, or condemnation loss (or impending condemnation loss) of or at the Community that (A) is reasonably expected to cost at least One Million and No/100 Dollars ($1,000,000.00) to repair for destruction or damage or at least One Million and No/100 Dollars ($1,000,000.00) for a condemnation loss (or impending condemnation loss), (B) permanently and materially interferes with the operation of the Community or (C) renders the Community less than a functional structure in which Purchaser can operate the Business. No damage, destruction or loss caused by Purchaser or its employees, agents, subcontractors or third party inspectors shall constitute "material damage, destruction or loss", irrespective of the resulting repair costs. In no event shall Seller have any obligation to repair any damage, destruction or loss to any portion of the Community or Assets, but Seller shall have the right to do so at Seller's election of option (b) above and to utilize insurance proceeds for such purpose.

9.3 No Proceeding or Litigation. No injunction, judgment, order, decree, ruling or charge shall be in effect under any action, suit or proceeding before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator that (i) prevents consummation of any of the transactions contemplated by this Agreement or (ii) would cause any of the transactions contemplated by this Agreement to be rescinded following consummation.

9.4 Title Insurance. Title to the Real Property shall be as required by Section 4.6 above; provided, however, it shall not be a condition to Purchaser's obligation to close that any endorsements be issued to the Title Policy and in the event that the Title Company is unable, due to no fault of Purchaser, to issue the Title Policy to Purchaser at Closing in accordance with Section 4.6 or this Section 9.4, prior to Purchaser having the right to terminate this Agreement due to failure of this condition precedent, Purchaser shall extend the Closing for up to ten (10) Business Days to allow Purchaser additional time to identify a replacement title company acceptable to Seller and committed to issue to Purchaser the Title Policy at Closing as required by Section 4.6.

9.5 Substantial Completion of Assets. Seller shall have delivered to Purchaser evidence of substantial completion of construction of the Assets (the "Completion Evidence"), which Completion Evidence shall be satisfied by delivery by Seller of the close out documents specifically listed on Schedule 9.5.

9.6 Other Agreements. Seller shall have delivered into the Closing escrow its countersigned copies of the Seller Documents.

ARTICLE X.
CONDITIONS TO THE OBLIGATIONS OF SELLER

Each and every obligation of Seller under this Agreement, except for the obligations to be fulfilled prior to the Closing and obligations that survive termination of this Agreement, shall be subject to the satisfaction, on or before the Closing, of each of the following conditions unless waived in writing by Seller. In the event that any of the conditions set forth in this Article X are not satisfied or waived in writing by Seller on or before the Closing Date, then Seller may, by notice to Purchaser, terminate this Agreement, whereupon Escrow Agent shall refund the Deposit to Purchaser and neither party shall have any further rights, duties or obligations hereunder except for those provisions which expressly survive termination of this Agreement; provided, however, in the event such failure to satisfy a condition is solely as a result of Purchaser's default hereunder, then the provisions of Section 12.2 shall apply. The conditions under this Article X are as follows:

10.1 Representations and Warranties; Performance.

(a) The representations and warranties made by Purchaser herein and in the Purchaser Documents, shall be true, complete, and correct in all material respects on and as of the Effective Date and at and as of the Closing, with the same effect as though made on such date.

(b) Purchaser shall have performed and complied with each of its covenants pursuant to this Agreement or any Purchaser Documents in all material respects through the Closing.

10.2 New Management Agreement. Purchaser, or Purchaser's designated affiliates (including, if applicable, the Operating Entity), and Manager shall have entered into the New Management Agreement (or a sub-management agreement, which the parties intend to constitute a tax-compliant Management Agreement), to be effective as of the Closing Date.

10.3 Other Agreements. Purchaser shall have delivered into the Closing escrow its countersigned copies of the Purchaser Documents and the Purchase Price, adjusted for any prorations, credits and additions for the benefit of Purchaser or Seller as specified in this Agreement, less the Deposit, by wire transfer of immediately available federal funds.

10.4 No Proceeding or Litigation. No injunction, judgment, order, decree, ruling or charge shall be in effect under any action, suit or proceeding before any court or quasi-judicial or administrative agency of any federal, state, local, or foreign jurisdiction or before any arbitrator that (i) prevents consummation of any of the transactions contemplated by this Agreement or (ii) would cause any of the transactions contemplated by this Agreement to be rescinded following consummation.

ARTICLE XI.
CLOSING

11.1 Possession and Closing Documents.

(a) Possession. Possession of all Assets sold hereunder shall be delivered to Purchaser on the Closing Date, and Seller shall provide notices, in the form provided by Purchaser and reasonably acceptable to Seller, to Transferred Employees and to Residents of such change in ownership if requested by Purchaser or if required by Applicable Law.

(b) Closing Documents. Seller shall deliver to Purchaser on the Closing Date:

(i) duly executed deed for the Real Property, in the form attached hereto as Exhibit C;

(ii) any applicable transfer tax declarations and similar documents required to be executed by sellers of real estate, if any;

(iii) duly executed Assignment and Assumption Agreement, in the form attached hereto as Exhibit B;

(iv) duly executed Bill of Sale, in the form attached hereto as Exhibit D;

(v) such additional bills of sale, certificates of title and other appropriate instruments of assignment and conveyance, in form mutually but reasonably satisfactory to Purchaser and Seller, dated as of the Closing, conveying all title to the Assets, including the Personal Property, free and clear of all liens, liabilities, security interests or encumbrances except for the Permitted Exceptions;

(vi) an assignment of all intangible property necessary for the operation of the Community including, without limitation, documents, chattel paper, instruments, contract rights, deposit accounts, goodwill, going concern value, general intangibles, the right to use the trade names and lists of phone numbers, arising from or in connection with Seller's operation or use of any part of the property, including, without limitation, the items set forth in clauses (viii) – (x) in the definition of "Assets";

(vii) the Bridging Documents, if applicable;

(viii) assignment of the leased vehicles included in the FF&E;

(ix) a rent roll, certified by Seller in accordance with Section 2.4(b) herein and dated no earlier than five (5) Business Days prior to the Closing Date, which shall include such information for the Residents as provided in Schedule 2.4(b);

(x) to the extent not already delivered by Seller, and to the extent available and in Seller's possession or control, originals of all of the Assumed Contracts, the Assumed Equipment Leases, the Residency Agreements and the Licenses;

(xi) evidence of the authority of Seller to execute and deliver the Seller Documents in order to effectuate the Closing;

(xii) evidence of termination of Seller's Existing Management Agreement and leasing agreement, if any;

(xiii) if applicable, such customary estoppels, acknowledgements and/or certificates executed by Seller in connection with the proposed tax structure described in Article VI, each in form and substance reasonably acceptable to Purchaser;

(xiv) duly executed affidavit in form sufficient to obtain the Title Policy, without exception for standard exceptions, mechanic's, materialman's or other statutory liens and otherwise insuring title in the condition required hereunder ("Owner's Affidavit") and a customary gap indemnity agreement as the Title Company shall reasonably require ("Gap Indemnity");

(xv) a closing statement setting forth in reasonable detail the financial transactions contemplated by this Agreement, including, without limitation, the Purchase Price and the allocation of costs specified herein ("Seller Closing Statement"), duly executed by Seller;

(xvi) a certificate of Seller confirming that Seller has delivered (or made available) to Purchaser the Books and Records and other financial information of Seller and/or Manager relating to the Community reasonably necessary for Purchaser to prepare any SEC Financial Statements (as defined in Section 4.8), and authorizing Purchaser and Purchaser's auditors to contact Seller's and/or Manager's personnel for reasonable follow-up questions in connection therewith, each in form and substance reasonably acceptable to Seller;

(xvii) duly executed certificate of Seller certifying that the condition set forth in Section 9.1(a) has been satisfied and met as of the Closing Date;

(xviii) duly executed certificate and affidavit of non-foreign status in the form attached hereto as Exhibit E;

(xix) duly executed Consulting Agreement;

(xx) a prorations schedule setting forth in reasonable detail all prorations contemplated by this Agreement (the "Prorations Schedule") duly executed by Seller.

(c) Purchaser shall deliver to Seller or cause to be delivered to Seller on the Closing Date, in addition to the Deposit set forth in Section 1.4 above and the Purchase Price pursuant to Section 1.5 above, the following:

(i) duly executed Consulting Agreement;

(ii) duly executed Bridging Documents, if applicable;

(iii) any applicable transfer tax declarations and similar documents required to be executed by purchasers of real estate, if any;

(iv) duly executed Assignment and Assumption Agreement;

(v) duly executed certificate of Purchaser certifying that the condition set forth in Section 10.1(a) has been satisfied and met as of the Closing Date;

(vi) a closing statement setting forth in reasonable detail the financial transactions contemplated by this Agreement, including, without limitation, the Purchase Price and the allocation of costs specified herein ("Purchaser Closing Statement"), duly executed by Purchaser;

(vii) a countersigned copy of the Assignment and Assumption Agreement; and

(viii) the Prorations Schedule, duly executed by Purchaser.

(d) Automatic Payment Methods. Seller shall, or shall use commercially reasonable efforts to cause the Manager, as applicable, to terminate all electronic fund transfers and other automatic payment methods as of 11:59:59 p.m. on the day before the Closing Date and the last date through which Seller has responsibility for billing Residents in order to facilitate the transactions contemplated in this Agreement.

11.2 Resident Funds. At Closing, Seller shall, or shall use commercially reasonable efforts to cause Manager, as applicable, to provide Purchaser with an accounting of all funds belonging to Residents which are held by Seller in a custodial capacity (collectively, "Resident Funds") as of Closing. Such accounting will set forth the names of the Residents for whom such Resident Funds are held and the amounts held on behalf of each Resident.

At Closing, Seller shall or shall cause Manager, as applicable, to transfer all Resident Funds to a bank account designated by Purchaser and Purchaser shall, in writing, acknowledge receipt of and expressly assume all of Seller's financial and custodial obligations with respect thereto, it being the intent and purpose of this provision that, at Closing, Seller will be relieved of all fiduciary and custodial obligation with respect to such Resident Funds and that Purchaser will assume all such obligations and be directly accountable to the Residents with respect to all Resident Funds actually received by Purchaser.

11.3 Closing Adjustments.

(a) Financing Costs. Purchaser will be responsible for payment of any and all costs imposed as a result of any financing Purchaser elects to put in place at Closing. Seller will be responsible for any and all costs associated with the repayment, satisfaction and release of any Monetary Encumbrances, including without limitation any recording costs to release such

Monetary Encumbrances and any prepayment penalties, yield maintenance charges or other charges associated therewith.

(b) Real Estate and Personal Property Taxes; Prorations. Real and personal property taxes and assessments shall be prorated as of the Closing Date. Said prorations shall be based on the tax year of the district in which the Real Property and the Personal Property are located and shall be based on the most recent available bill. Said prorations shall be made on an accrual basis with reference to the most recent available tax information with a post-closing reproration being made within thirty (30) days after either party's receipt of the actual final tax bills for the applicable years, subject to Seller's Tax Appeal Rights (defined below). If such amounts are not paid by Seller to Purchaser, or by Purchaser to Seller, as the case may be, within thirty (30) days, then the amount owed shall accrue interest thereafter at the rate of 1.5% per month; provided, however, that in no event will interest be charged in excess of the amount permitted by Applicable Law. Seller's right to initiate, prosecute and/or settle any tax reduction proceedings in respect of the Assets relating to any period of Seller's ownership of the Assets shall be deemed "Seller's Tax Appeal Rights" and Purchaser shall reasonably cooperate with Seller in connection with the prosecution of any such tax reduction proceedings. Any refunds or savings in the payment of taxes resulting from such tax reduction proceedings applicable to taxes payable during the period prior to the date of the Closing shall belong to and be the property of Seller, and any refunds or savings in the payment of taxes applicable to taxes payable from and after the date of the Closing shall belong to and be the property of Purchaser. All attorneys' fees and other expenses incurred in obtaining such refunds or savings shall be apportioned between Seller and Purchaser in proportion to the gross amount of such refunds or savings payable to Seller and Purchaser, respectively; provided, however, that neither Seller nor Purchaser shall have any liability for any such fees or expenses in excess of the refunds or savings paid to such party unless such party initiated such proceeding. The provisions of this Section 11.3(b) shall survive Closing without limitation.

(c) Prepaid Rents and Fees, Move-in Deposits and Pre-Closing Concessions. In accordance with Section 7.1, Purchaser shall receive credits for Rents and Fees which were actually received by Seller or Manager and have not been otherwise applied by Seller to any obligation of any Residents under the Residency Agreements for the month of Closing prorata, any Move-in Deposits in accordance with Section 7.1(d), and any Pre-Closing Concessions in accordance with Section 7.1(e), which amounts shall be subject to reconciliation pursuant to Section 11.5 below.

(d) Other Prorations. Charges for water, fuel, gas, oil, heat, electricity and other utilities, operating charges and prepaid amounts under Assumed Contracts shall not be prorated as of the Closing Date as Seller will cause all utility accounts in Seller's name to be terminated and Purchaser will establish new accounts in Purchaser's name. Seller shall have the right to retain any deposits paid by Seller to any utility providers.

(e) Estimated Costs. All payables, including accounts payable for utilities, payroll, services, supplies and materials, which accrue prior to the Closing Date shall be Seller's responsibility and shall be subject to the reconciliation process described in Section 11.5 below. All payables, including accounts payable for supplies, payroll, services and materials, which accrue after 12:00:00 a.m. on the Closing Date shall be paid by Purchaser.

(f) Closing Statement Accounting. All calculations and prorations under this Section 11.3 shall be made on the accrual basis of accounting.

11.4 Closing Costs.

(a) At or before Closing, Seller shall pay (i) fifty percent (50%) of the costs of any applicable transfer tax, (ii) the cost of recording any releases to any exceptions to title that are not Permitted Exceptions, including but not limited to, all Monetary Encumbrances, (iii) any extended coverage premium or any endorsements for the Title Policy that Seller elects to purchase to cure Purchaser's Objections, and (iv) fifty percent (50%) of any escrow or closing charges of the Title Company.

(b) At or before Closing, Purchaser shall pay (i) fifty percent (50%) of the costs of any applicable transfer tax, (ii) the cost of any mortgage taxes, (iii) the costs of preparing and updating, if applicable, the Survey, (iv) all recording costs not described in Section 11.4(a) above, (v) the cost of the title exam fees, the title commitment and base Title Policy, any endorsements to the Title Policy except those that Seller elects to purchase to cure Purchaser's Objections, and the cost of any lender's policy of title insurance, and (vi) fifty percent (50%) of any escrow or closing charges of the Title Company. In addition, if Purchaser elects to use a lender with this transaction, Purchaser shall pay the cost of any title insurance issued in favor of any lender of Purchaser, and the costs associated with the inspections and investigations conducted by Purchaser or its agents or representatives.

11.5 Post-Closing Purchase Price Reconciliation. Within sixty (60) days after the Closing Date, representatives of Purchaser shall prepare and deliver to Seller a proposed initial statement of reconciliation itemizing the following: (i) all costs, charges and expenses paid by one party with respect to the Community that are properly allocable to the other party; and (ii) all resident rents, service fees, and, to the extent applicable, reimbursement from any third-party payor actually collected by either party with respect to the Community (the "Initial Reconciliation") and to whom such fees should be properly allocated. The Initial Reconciliation shall include appropriate detail to identify the items being adjusted and shall provide documentation evidencing all expenses, costs, charges, service fees and resident rents. Promptly following Purchaser's request, Seller shall use commercially reasonable efforts to deliver all information and documents reasonably requested by Purchaser in connection with its preparation of the Initial Reconciliation and the Final Reconciliation (defined below) statements. A final reconciliation of all expenses, costs, charges, service fees and resident rents shall be prepared by Purchaser and delivered to Seller within ninety (90) days after the Closing Date (the "Final Reconciliation"). Throughout the period leading up to the Initial Reconciliation and the Final Reconciliation, each party shall provide to the other party any information it may receive regarding the revenue and expense items described in subparagraphs (i) and (ii) of this Section 11.5. The Final Reconciliation shall appropriately reflect the net amount owed to Purchaser or to Seller as a result of such reconciliation. After approval of the Final Reconciliation by both parties, the party determined to owe cash as a result of such Final Reconciliation shall promptly pay such cash to the other party. If Purchaser and Seller cannot agree upon a Final Reconciliation, then the determination of a Final Reconciliation shall be made by an independent CPA firm mutually selected by Purchaser and Seller, whose determination shall be binding upon Purchaser and Seller. The party who does not prevail in the dispute resolution shall also pay the fees and costs of the CPA firm.

ARTICLE XII.
DEFAULT AND REMEDIES

12.1 Seller Default. Notwithstanding anything to the contrary contained in this Agreement, if Purchaser gains actual knowledge prior to Closing that a representation or warranty of Seller under this Agreement has been materially breached and Seller has not delivered a Seller Update Notice pursuant to Section 4.10 above, or if Seller otherwise fails to perform a material covenant or obligation of Seller in accordance with the terms of this Agreement and such breach of such representation, warranty or covenant continues after notice and opportunity to cure as provided in Section 12.3 below, Purchaser may, as its sole and exclusive remedy, either (i) terminate this Agreement by written notice to Seller and obtain a return of the Deposit, in which event neither party shall have any rights or obligations under this Agreement except for those which expressly survive termination, or (ii) sue for specific performance of this Agreement. Purchaser shall be deemed to have elected to terminate this Agreement and waived its remedy of specific performance if Purchaser fails to deliver to Seller written notice of its intent to file a claim or assert a cause of action for specific performance against Seller on or before ten (10) Business Days following the scheduled Closing Date or, having given such notice, fails to file a lawsuit asserting such claim or cause of action in the county in which the Real Property is located within thirty (30) days following the scheduled Closing Date. Notwithstanding anything herein to the contrary or any other provision of this Agreement, any agreement contemplated by this Agreement or any rights which Purchaser might otherwise have at law, equity or by statute, in no event shall Seller be liable to Purchaser for incidental, consequential or punitive damages for breach of this Agreement or the documents delivered at Closing and all Seller liability shall be limited to the Cap. The provisions of this Section 12.1 shall survive Closing.

12.2 Purchaser Default. Notwithstanding anything to the contrary contained in this Agreement, if Seller gains actual knowledge prior to Closing that a representation or warranty of Purchaser under this Agreement has been materially breached or if Purchaser otherwise fails to perform a material covenant or obligation of Purchaser in accordance with the terms of this Agreement and such breach of such representation, warranty or covenant continues after notice and opportunity to cure as provided in Section 12.3 below, Seller may, as its sole and exclusive remedy, terminate this Agreement by written notice to Purchaser, in which event the Deposit shall be forfeited to Seller as liquidated damages and not as a penalty, this Agreement shall be null and void and neither party shall have any rights or obligations under this Agreement except for those which expressly survive termination.

12.3 Opportunity to Cure. No party to this Agreement may terminate this Agreement prior to Closing or pursue any other remedy referred to in this Article XII on account of a breach of a covenant or warranty by the other party hereunder without first giving the other party written notice of such breach (Purchaser hereby agreeing to give such written notice to Seller within one (1) Business Day after Purchaser first learns of any such breach by Seller), and not less than ten (10) days within which to cure such breach. The Closing Date shall be postponed, if necessary, to afford such opportunity to cure but in no event shall such postponement delay the Closing Date beyond the Outside Closing Date or, so long as such postponement is only pursuant to Purchaser's right to cure hereunder, require Purchaser to make any Purchase Price Increase.

ARTICLE XIII.
MISCELLANEOUS PROVISIONS

13.1 Amendment and Modification. This Agreement may be amended, modified and supplemented only by written agreement of all the parties with respect to any of the terms contained herein.

13.2 Waiver of Compliance; Consent. Any failure of Seller on the one hand, or Purchaser, on the other hand, to comply with any obligation, covenant, agreement or condition may be waived in writing by the other party, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 13.2.

13.3 Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be, or sent by (i) electronic mail or facsimile transmission, (ii) personally delivered or (iii) sent by overnight commercial delivery service, and such notice shall be effective when received at the following addresses:

(a) If to Seller, to:

Silverstone Bethesda Owner, LLC
c/o Silverstone Senior Living, LLC
3710 Rawlins Street, Suite 800
Dallas, Texas 75219
Attention: Matt Aubé
E-mail: *****

And

Attention: Robert H. Zeiller
E-mail: *****

with copies to (which shall not constitute notice):

Jackson Walker LLP
2323 Ross Avenue, Suite 600
Dallas, Texas 75201
Attention: Meredith Brewster
E-mail: *****

And

Attention: Kim Trapani
E-mail: *****

And

Compatriot Capital, Inc.
8235 Douglas Ave., 10th Floor
Dallas, Texas 75225
Attention: Thomas H. Sharpe
Email: *****

And

Attention: Austin C. Whitmore, Esq.
E-mail: *****

(b) If to Purchaser, to:

Chiron Real Estate Inc.
7373 Wisconsin Avenue, Suite 800
Bethesda, Maryland 20814
Attention: Jamie Barber
Email: *****

and to:

Attn: Matthew Wolf
Taft Law
Suite 2200
80 South 8th Street
Minneapolis, MN 55402
*****

or to such other person or address as any party shall furnish to the other parties in writing pursuant to this Section 13.3. Refusal to accept delivery or change of address for which no notice was given shall be deemed to be effective delivery hereunder. Notices delivered by counsel to Purchaser shall be deemed given by Purchaser and notices delivered by counsel to Seller shall be deemed given by Seller.

13.4 Brokers and Finders; Expenses. Each of Purchaser and Seller represents and warrants to the other that such party has not retained any broker or finder in connection with this transaction. Seller on the one hand, and Purchaser, on the other, each agrees to indemnify the other for any losses incurred with respect to a breach of this Section 13.4. Except as otherwise provided herein, each party hereto shall bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

13.5 Attorneys' Fees. In the event any proceeding or suit is brought to enforce this Agreement, the prevailing party shall be entitled to all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by such party in connection with any action, suit or proceeding to enforce the other's obligations under this Agreement, including any appellate or bankruptcy proceedings resulting therefrom (subject to the Cap on Seller's liability pursuant to Article VIII above).

13.6 Assignment. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns. Purchaser may assign its rights under the Agreement in whole or in part, without the prior written consent of Seller, to any entity controlling, controlled by or under common control with Purchaser (a "Purchaser's Permitted Assignee"), provided that Purchaser shall not be released from its liability hereunder in connection with or as a result of such assignment and Purchaser's assignee shall agree in writing to be bound by all obligations of Purchaser hereunder. Upon an assignment by Purchaser of its rights under the Agreement in accordance with this Section 13.6, Purchaser's Permitted Assignee shall be deemed to be the Purchaser hereunder and shall be the beneficiary of all of Seller's warranties, representations and covenants in favor of Purchaser under this Agreement. Purchaser shall provide Seller written notice and an executed copy of any such assignment.

13.7 Governing Law. This Agreement shall be governed by the laws of the State of Maryland as to, among other things, matters of validity, construction, effect and performance but exclusive of its conflicts of laws provisions.

13.8 Business Day. If the date for the giving of notice or performance of any duty or obligation hereunder falls on a day that is not a Business Day, such date shall be automatically extended to the next Business Day. As used herein, a "Business Day" means any day other than a Saturday, Sunday or any other day on which banks are authorized to be closed in the State of Maryland.

13.9 Counterparts; Electronic or Facsimile Signature. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed counterparts of this Agreement or any amendment hereto may be delivered by electronic or facsimile transmission.

13.10 Headings. The Article and Section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

13.11 Entire Agreement. This Agreement, which term as used throughout includes the Exhibits and Schedules hereto, embodies the entire agreement and understanding of the parties in respect of the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants or undertakings, other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the parties hereto with respect to such subject matters contained herein.

13.12 Reliance. In executing and in carrying out the provisions of this Agreement, the parties are relying solely on the representations, warranties and agreements contained in this Agreement and on any writing delivered pursuant to provisions of this Agreement or at the Closing of the transactions herein provided for and not upon any representation, warranty, agreement, promise or information, written or oral, made by any person other than as specifically set forth herein or therein.

13.13 Publicity. Except as otherwise expressly permitted under this Agreement, no party shall issue any press release or public announcement relating to the subject matter of this Agreement without the prior written approval of the other parties, which approval may be withheld in either party's sole discretion; provided, however, that any party may make the following public disclosure (without the consent of the other party): if prior to Closing, such disclosure, it believes in good faith, is required by Applicable Law or stock market rule (in which case to the extent practicable the disclosing party shall advise the other parties and provide them with a copy of the proposed disclosure prior to making the disclosure. Further, in accordance with the confidentiality provisions of this Agreement, Purchaser may publicly disclose the existence of this Agreement and disclose any information relating to the subject matter of this Agreement requested by any regulatory or governmental agency during the course of a routine, non-targeted examination. All public announcements by Purchaser shall be subject to Seller's prior written approval, which may not be unreasonably withheld, delayed or conditioned and Seller shall use best efforts to promptly respond to any such request for consent.

13.14 Waiver of Jury Trial**.** EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, INCLUDING TO ENFORCE OR DEFEND ANY RIGHTS HEREUNDER, AND AGREES THAT ANY SUCH ACTION SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

13.15 AS IS. IT IS UNDERSTOOD AND AGREED THAT EXCEPT AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE CLOSING DOCUMENTS, (A) THIS AGREEMENT, THE DUE DILIGENCE ITEMS AND THE SALE OF THE REAL PROPERTY, PERSONAL PROPERTY, THE COMMUNITY AND THE ASSETS ARE BEING PROVIDED, MADE OR SOLD, AS APPLICABLE, without representation, covenant, or warranty of any kind (whether express, implied, or, to the maximum extent permitted by applicable law, statutory) BY SELLER AND PURCHASED AND ACCEPTED BY PURCHASER ON AN "AS IS," "WHERE IS" AND "WITH ALL FAULTS" BASIS, SUBJECT TO ANY CONDITION WHICH MAY EXIST, AND WITHOUT THE EXISTENCE OF AND WITHOUT RELIANCE UPON ANY REPRESENTATION, WARRANTY, AGREEMENT, OR STATEMENT BY SELLER, OR ANYONE ACTING ON BEHALF OF SELLER, ALL of which Purchaser hereby **FOREVER RELEASES AND DISCHARGES** Seller from and Seller hereby disclaims, AND no warranty or representation is made by Seller as to design, quality, condition, operation or income, compliance with drawings or specifications, absence of defects, absence of hazardous or toxic substances, absence of faults, flooding, or compliance with laws and regulations including, without limitation, those relating to health, safety, and the environment; (B) PURCHASER IS BEING GIVEN THE OPPORTUNITY TO THOROUGHLY INSPECT AND EXAMINE THE REAL PROPERTY, PERSONAL PROPERTY, THE COMMUNITY AND THE ASSETS TO THE EXTENT DEEMED NECESSARY BY PURCHASER IN ORDER TO ENABLE PURCHASER TO EVALUATE THE PURCHASE ON THE FOREGOING BASIS; AND (C) PURCHASER IS RELYING SOLELY UPON SUCH INSPECTIONS, EXAMINATION, AND EVALUATION BY PURCHASER IN PURCHASING ON AN "AS IS", "WHERE IS" AND

"WITH ALL FAULTS" BASIS, WITHOUT REPRESENTATION, WARRANTY, AGREEMENT OR STATEMENT BY SELLER OR ANYONE ACTING ON BEHALF OF SELLER, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE, EXCEPT AS MAY BE SET FORTH IN THIS AGREEMENT AND IN THE CLOSING DOCUMENTS. SELLER EXPRESSLY DISCLAIMS, WHICH PURCHASER HEREBY ACKNOWLEDGES AND ACCEPTS, ANY IMPLIED WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Upon Closing, Purchaser shall assume the risk that adverse matters, including, but not limited to, adverse physical or construction defects or adverse environmental, health or safety conditions, that may not have been revealed by Purchaser's inspections. Purchaser waives any and all rights or remedies it may have or be entitled to, deriving from any significant disparate bargaining position in relation to Seller. The provisions of this Section 13.15 shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the closing documents.

13.16 Limitation of Liability. Each party acknowledges and agrees that (i) it will have no claims or causes of action against any disclosed or undisclosed, direct or indirect member, partner, owner, principal, parent, subsidiary or other affiliate of the other party (the "Protected Affiliates"), or any officer, director, manager, employee, trustee, agent or shareholder of such other party or any of the Protected Affiliates (together with the Protected Affiliates, the "Protected Parties"), arising out of or in connection with this Agreement or the transactions contemplated by this Agreement, and (ii) it shall not sue or otherwise seek to enforce any personal obligation of the other against any of the Protected Parties with respect to any matters arising out of or in connection with this Agreement or the transactions contemplated by this Agreement. The terms and provisions of this Section 13.16 shall survive Closing or any termination of this Agreement.

13.17 Like-Kind Exchange. Seller and Purchaser acknowledge that either party may be contemplating a "like-kind exchange" under Section 1031 of the United States Internal Revenue Code (simultaneous, deferred or reverse) and similar provisions of applicable state law ("Exchange") and either party may, without the other's consent, assign its rights under this Agreement to a qualified intermediary to effect the Exchange. Each party will make reasonable efforts to cooperate with the other party's reasonable requests to effect the Exchange; provided that (i) neither party shall be required to incur any additional costs, expenses or liability in connection with the other party's Exchange, (ii) neither party shall be obligated to execute any note, contract, deed or other document not otherwise expressly provided for in this Agreement providing for any personal liability (other than a consent to assignment to the qualified intermediary, if required), (iii) neither party shall be obligated to take title to any property other than the Property, (iv) the exchanging party is not released from any obligations or liability under this Agreement and (v) the exchanging party will indemnify, defend and hold the other party harmless from and against all expenses, losses, costs (including, without limitation, reasonable attorney's fees), damages and claims resulting from the exchanging party's Exchange or attempted Exchange. For the avoidance of doubt, either party shall have the right to delay Closing for a reasonable amount of time under this Section 13.17 and in the event Purchaser elects to effect a "like-kind exchange" as contemplated hereunder and such delay is at the election of Purchaser, such delay of Closing elected by Purchaser shall be subject to the terms and conditions of Section 1.2(a) hereof.

13.18 Time. Time is of the essence in the performance of this Agreement.

13.19 Exclusivity. From the Effective Date through the earliest of (a) the Closing Date, and (b) earlier termination of this Agreement, Seller agrees not to solicit or entertain other bids or proposals to purchase the Assets from any other person or entity ("Purchaser's Exclusivity Right"). Notwithstanding the foregoing, Purchaser's Exclusivity Right shall automatically terminate upon Purchaser's default under this Agreement, subject to any notice and cure rights hereunder.

13.20 No Recordation. Without the prior written consent of Seller, there shall be no recordation of either this Agreement or any memorandum hereof, or any affidavit pertaining hereto, and any such recordation of this Agreement or memorandum or affidavit by Purchaser without the prior written consent of Seller shall constitute a default hereunder by Purchaser, whereupon Seller shall have the remedies set forth in Section 12.2 hereof. In addition to any such remedies, Purchaser shall be obligated to execute an instrument in recordable form releasing this Agreement or memorandum or affidavit, and Purchaser's obligations pursuant to this Section 13.20 shall survive any termination of this Agreement as a surviving obligation.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed or have caused their duly authorized representatives to execute this Agreement as of the date first written above.

PURCHASER:

XRN BETHESDA, LLC,
a Delaware limited liability company

By: /s/ Mark Decker, Jr.
Name: Mark O. Decker, Jr.
Title: Authorized Signatory

[SIGNATURE PAGES CONTINUE ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed or have caused their duly authorized representatives to execute this Agreement as of the date first written above.

SELLER:

SILVERSTONE BETHESDA OWNER, LLC, a Delaware limited liability company

By: /s/ Matt Aubé
Name: Matt Aubé
Title: Authorized Signatory

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

ASSIGNMENT AND ASSUMPTION AGREEMENT

EXHIBIT C

FORM OF SPECIAL WARRANTY DEED

EXHIBIT D

BILL OF SALE

EXHIBIT E

Exhibit E-1

EXHIBIT F

CONCESSIONS AVAILABLE TO BE OFFERED

EXHIBIT H

BRIDGING DOCUMENTS

SCHEDULE 9.5

COMPLETION EVIDENCE

Exhibit 9.5

Exhibit 10.8

FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO ASSET PURCHASE AGREEMENT (this "Amendment") is entered into as of June 22, 2026 (the "Amendment Effective Date") by and between SILVERSTONE BETHESDA OWNER, LLC, a Delaware limited liability company ("Seller") and XRN BETHESDA, LLC, a Delaware limited liability company ("Purchaser") (each a "Party" and, collectively, the "Parties").

BACKGROUND

WHEREAS, the Parties entered into that certain Asset Purchase Agreement dated May 6, 2026 (the "Agreement"); and

WHEREAS, the Parties desire to amend certain terms and provisions in the Agreement as more particularly set forth below.

NOW THEREFORE, for the mutual covenants set forth herein and in the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties hereto agree as follows:

1. Definitions. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

2. Rep Recertification Date. The Rep Recertification Date is hereby amended to June 30, 2026.

3. Completion Evidence; Schedule 9.5. Schedule 9.5 of the Agreement is hereby amended and restated in its entirety by Schedule 9.5 attached hereto. Seller and Purchaser hereby acknowledge and agree that as of the Amendment Effective Date, Seller has delivered all Completion Evidence to Purchaser and Purchaser's condition precedent to its obligation to close set forth in Section 9.5 of the Agreement has been satisfied.

4. Conflicts. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Agreement, the terms and conditions of this Amendment shall control.

5. Counterparts. This Amendment may be executed by email (in ".pdf' format) and/or in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed originals signatures for purposes of this Amendment.

6. Severability. In the event that any part of this Amendment shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be reformed, and enforced to the maximum extent permitted by law. If such provision cannot be reformed, it shall be severed from this Agreement and the remaining portions of this Agreement shall be valid and enforceable.

7. Binding Agreement. All terms, conditions, and covenants of the Agreement not otherwise modified herein are hereby ratified and confirmed, and this Amendment when executed

by the Parties hereto will become a part of the Agreement and the Agreement shall remain in full force and effect.

8. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Maryland, without regarding to its principles of conflicts of laws.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

[Remainder of page intentionally left blank]

SELLER:

SILVERSTONE BETHESDA OWNER, LLC,
a Delaware limited liability company

By: /s/ Robert Zeiller

Name: Robert H. Zeiller

Title: CEO

PURCHASER:

XRN BETHESDA, LLC,
a Delaware limited liability company

By: /s/ Jamie Barber

Name: Jamie Barber

Title: General Counsel

SCHEDULE 9.5

COMPLETION EVIDENCE

1. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Level 4 Pool
2. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Floors 4-9
3. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Use Groups S2, I2, R2, B, A3
4. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Core and Shell - Use Groups S2, 12, R2, B, A3
5. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Occupancy S-2, B, M, A-3
6. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Level 9 Kitchen
7. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Floor 17; Use Groups R-2 & A-3
8. Montgomery County Department of Permitting Services Use and Occupancy Certificate - Level 10-16
9. Architect’s Certificate of Substantial Completion
10. Montgomery County Health and Human Services Food Service Facility License

Exhibit 31.1

CERTIFICATIONS

I, Mark O. Decker, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2026 of Chiron Real Estate Inc. (the "registrant")**;**

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2026

/s/ Mark O. Decker, Jr.
Mark O. Decker, Jr., Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Robert J. Kiernan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2026 of Chiron Real Estate Inc. (the "registrant")**;**

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2026

/s/ Robert J. Kiernan
Robert J. Kiernan, Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

Section 1350 Certification of Chief Executive Officer and Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q of Chiron Real Estate Inc. (the "Company") for the period ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark O. Decker, Jr., Chief Executive Officer of the Company and I, Robert J. Kiernan, Chief Financial Officer of the Company, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 10, 2026	*/s/ Mark O. Decker, Jr.* Mark O. Decker, Jr., Chief Executive Officer (Principal Executive Officer)
Date: August 10, 2026	*/s/ Robert J. Kiernan* Robert J. Kiernan, Chief Financial Officer (Principal Financial and Accounting Officer)

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.