

DOUGLAS COUNTY, NV

2017-908077

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FIRST AMERICAN COMMERCIAL NCS

KAREN ELLISON, RECORDER

Recording requested by:
and After recording return to:
James H. Levine, Esq.
Baker, Donelson, Bearman,
Caldwell & Berkowitz, P.C.
633 Chestnut Street, Suite 1900
Chattanooga, Tennessee 37450

Title of Document: UCC FINANCING STATEMENT

Date of Document: DECEMBER 1, 2017

Secured Party: CARSON VALLEY SENIOR LIVING LLC, a Nevada limited liability company

Debtor(s): MIDCAP FINANCIAL HOUSING CAPITAL, INC.,
a Delaware corporation
AND
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT

APN(s): 1220-20-001-068
1220-20-001-069
1220-20-001-070

First American Title-NCS-790215-OR1

4835-8736-5720

2940278-000002

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER [optional] James H. Levine, Esq. (423-209-4133)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) James H. Levine, Esq. Baker, Donelson, Bearman, Caldwell & Berkowitz, PC 633 Chestnut Street, Suite 1900 Chattanooga, TN 37450-1800

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	1a. ORGANIZATION'S NAME CARSON VALLEY SENIOR LIVING LLC			
	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1701 SOUTH SUTRO TERRACE	CARSON CITY	NV	89706	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad)

OR	2a. ORGANIZATION'S NAME			
	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

OR	3a. ORGANIZATION'S NAME MIDCAP FINANCIAL HOUSING CAPITAL, INC.			
	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1720 SOUTH BELLAIRE STREET, SUITE 1208	DENVER	CO	80222	USA

4. COLLATERAL: This financing statement covers the following collateral:

SEE EXHIBITS "B" AND "C" ATTACHED HERETO AND MADE A PART HEREOF FOR A DESCRIPTION OF THE COLLATERAL. THE REAL ESTATE REFERRED TO IN EXHIBITS "B" AND "C" IS DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailor/Baior Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
DOUGLAS COUNTY, NEVADA

CARSON VALLEY SENIOR LIVING - FHA PROJECT NO. 125-22025

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement, if line 1b was left blank because individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME

CARSON VALLEY SENIOR LIVING LLC

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME

OR

10b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

10c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b).

11a. ORGANIZATION'S NAME

Secretary of Housing & Urban Development - Office of Residential Care Facilities

OR

11b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

11c. MAILING ADDRESS

451 Seventh St., S.W.

CITY

Washington

STATE

DC

POSTAL CODE

20410

COUNTRY

USA

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

13. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT

covers timber to be cut

covers as-extracted collateral

is filed as a fixture filing

15. Name and address of RECORD OWNER of real estate described in Item 16 (if Debtor does not have a record interest).

16. Description of real estate

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR A DESCRIPTION OF THE REAL ESTATE

17. MISCELLANEOUS:

**EXHIBIT A
TO
UCC FINANCING STATEMENT**

Description of the Real Estate

REAL PROPERTY IN THE CITY OF GARDNERVILLE, COUNTY OF DOUGLAS, STATE OF NEVADA, DESCRIBED AS FOLLOWS:

PARCEL 1:

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND SITUATE IN SECTION 20, TOWNSHIP 12, NORTH, RANGE 20 EAST, DOUGLAS COUNTY, NEVADA, FURTHER DESCRIBED AS FOLLOWS:

PARCEL 3B-1C AS SET FORTH ON PARCEL MAP NO. 1009 FOR BING CONSTRUCTION CO. OF NEVADA, ACCORDING TO THE MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER FOR DOUGLAS COUNTY, STATE OF NEVADA, ON JULY 12, 1995, IN BOOK 795, PAGE 1284, AS DOCUMENT NO. 365966 OF OFFICIAL RECORDS.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS SHOWN ON THE PARCEL MAP NO. 1009 RECORDED JULY 12, 1995 IN BOOK 795, PAGE 1284 AS INSTRUMENT NO. 365966 IN THE OFFICE OF THE DOUGLAS COUNTY RECORDER.

EXHIBIT B
TO
UCC FINANCING STATEMENT

Collateral Description
(Collateral described in the Healthcare Deed of Trust, Assignment of Rents and Security Agreement (Nevada))

All of Debtor's interest in the following present and future right, title and interest in and to all of the following, whether now owned or held or later acquired:

- (a) the buildings, structures, and alterations now constructed or at any time in the future constructed or placed upon the estate in realty described on Exhibit A (the "*Land*"), including any future replacements and additions (collectively, the "*Improvements*");
- (b) the portion of the Project (defined below) operated on the Land as a Nursing Home, Intermediate Care Facility, Board and Care Home, Assisted Living Facility and/or any other healthcare facility authorized to receive insured mortgage financing pursuant to Section 232 of the National Housing Act, as amended, including any commercial space included in the facility (collectively, the "*Healthcare Facility*") ("*Project*" means any and all assets of whatever nature or wherever situated related to the loan from MidCap Financial Housing Capital, Inc. (the "*Lender*") to Debtor (the "*Loan*"), including without limitation, all collateral described in this Exhibit B, any Improvements, and any collateral owned by the Debtor securing the Loan;
- (c) all property or goods that become so related or attached to the Land or the Improvements that an interest arises in them under real property law, whether acquired now or in the future, excluding all resident owned goods and property, and including but not limited to: major movable equipment, machinery, equipment (including medical equipment and systems), engines, boilers, incinerators, installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring and conduits used in connection with radio, television, computers and computer software, medical systems, security, fire prevention, or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposals, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; playground and exercise equipment and classroom furnishings and equipment (collectively, the "*Fixtures*");
- (d) all equipment, inventory, and general intangibles associated with the Healthcare Facility and/or the Project, including furniture, furnishings, beds, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible or electronically stored personal property (other than Fixtures) that are owned, leased or used now or in the future in connection with the ownership, management or operation of the Healthcare Facility and/or any other portion of the Project, or are located on the Land or in the Improvements, and any operating agreements relating to the Project, and any surveys,

plans and specifications and contracts for architectural, engineering and construction services relating to the Project, choses in action and all other intangible property and rights relating to the operation of, or used in connection with, the Project, including all certifications, approvals and governmental permits relating to any activities on the Land; (collectively, the "**Personalty**"). **Personalty** includes all tangible and intangible personal property used in connection with the Healthcare Facility (such as major movable equipment and systems), accounts, licenses, bed authorities, certificates of need required to operate the Healthcare Facility and to receive benefits and reimbursements under provider agreements with Medicaid, Medicare, State and local programs, payments from healthcare insurers and any other assistance providers; all certifications, permits and approvals, instruments, Rents (defined below), lease and contract rights, equipment leases relating to the use, operation, maintenance, repair and improvement of the Healthcare Facility. Generally, the intangibles described above shall also include all cash and cash escrow funds, such as but not limited to: reserve for replacement accounts, debt service reserve accounts, bank accounts, Residual Receipts accounts, and investments;

- (e) all rent due pursuant to any Master Lease or Operator Lease, any payments due pursuant to any Residential Agreement, any other lease payments, revenues, charges, fees and assistance payments arising from the operation of the Project, including but not limited to, if and for so long as applicable, workers' compensation, social security, Medicare, Medicaid, and other third-party reimbursement payments, Accounts Receivable and all payments and income arising from the operation of the Healthcare Facility and/or the provision of services to residents thereof (collectively, "**Rent**");
- (f) all current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or benefiting the Land or the Improvements, or both, and all rights-of-way, streets, alleys and roads which may have been or may in the future be vacated;
- (g) all insurance policies covering the Land and the property described in this Exhibit B, and all proceeds paid or to be paid by any insurer of the Land, the Improvements, the Fixtures, the **Personalty** or any other part of the property described in this Exhibit B, whether or not Debtor obtained the insurance pursuant to Secured Party's requirement;
- (h) all awards, payments and other compensation made or to be made by any board, commission, department or body of any municipal, county, state, tribal or federal governmental unit, including any United States territorial government, and any public or quasi-public authority, or any subdivision of any of them, that has or acquires jurisdiction over the Land and the property described in this Exhibit B, including the use, operation or improvement of the Land and the property described in this Exhibit B (collectively, the "**Governmental Authority**") with respect to the Land, the Improvements, the Fixtures, the **Personalty** or any other part of the property described in this Exhibit B, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, the Fixtures, the **Personalty** or any other part of the property described in this Exhibit B under the power of eminent domain or otherwise and including any conveyance in lieu thereof;
- (i) all contracts, options and other agreements for the sale of the Land, the Improvements, the Fixtures, the **Personalty** or any other part of the property described in this Exhibit B

entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations;

- (j) all proceeds (cash or non-cash), liquidated claims or other consideration from the conversion, voluntary or involuntary, of any of the Land and the property described in this Exhibit B and the right to collect such proceeds, liquidated claims or other consideration;
- (k) all revenue generated by any portion of the Land and the property described in this Exhibit B;
- (l) rents (whether from residential or non-residential space), revenues, issues, profits, (including carrying charges, maintenance fees, and other cooperative revenues, and fees received from leasing space on the Land and the property described in this Exhibit B), ~~and other income of the Land or the Improvements, gross receipts, receivables, parking fees, laundry and vending machine income and fees and charges for food and other services provided at the Land and the property described in this Exhibit B, whether now due, past due, or to become due, residual receipts, and escrow accounts, however and whenever funded and wherever held;~~
- (m) any leases by and between Debtor and another entity providing for operation of the Healthcare Facility, any lease or other agreement between Debtor and a resident setting forth the terms of the resident's living arrangements and the provision of any related services, and any other present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Project, or any portion of the Project, and all modifications, extensions or renewals, except that any ground leases to the Debtor creating a leasehold interest in the Land that is security for the Loan is expressly not included;
- (n) all earnings, royalties, instruments, accounts (including any deposit accounts), Accounts Receivable (defined below), supporting obligations, issues and profits from the Land, the Improvements, the Healthcare Facility, or any other part of the property described in this Exhibit B, and all undisbursed proceeds of the Loan ("**Accounts Receivable**" means all right, title and interest of Debtor in and to the following, in each case arising from the operation of the Healthcare Facility located on the Mortgaged Property in the ordinary course of business: (a) all rights to payment of a monetary obligation, whether or not earned by performance, including, but not limited to, accounts receivable, health-care insurance receivables, Medicaid and Medicare receivables, Veterans Administration receivables, or other governmental receivables, private patient receivables, and HMO receivables, (b) payment intangibles, (c) guaranties, letter-of-credit rights and other supporting obligations relating to the property described in clauses (a) and (b); and (d) all of the proceeds of the property described in clauses (a), (b) and (c) but specifically excludes accounts arising from the sale of Debtor's equipment, inventory or other goods, other than accounts arising from the sale of Debtor's inventory in the ordinary course of Debtor's business;
- (o) all funds of Debtor deposited with Secured Party (collectively, the "**Imposition Deposits**");
- (p) all refunds or rebates of obligations of Debtor for which Imposition Deposits are required by any Governmental Authority or insurance company;

- (q) all forfeited security deposits under any lease;
- (r) all names under or by which any of the above Land and the property described in this Exhibit B may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Land and the property described in this Exhibit B;
- (s) all deposits and/or escrows held by or on behalf of Secured Party under any separate agreement between Debtor and Secured Party for the purpose of establishing escrows or replacement reserves for the Land and the property described in this Exhibit B, establishing an account to assure the completion of repairs or improvements specified in such agreement, or any other agreement or agreements between Debtor and Secured Party which provide for the establishment of any other fund, reserve or account including but not limited to those reserves and escrows required by HUD in connection with construction activity, if any, and those reserves and escrows required by HUD in connection with the Project ("*Ancillary Agreements*"). Ancillary Agreements may include, but are not limited to, any sinking fund agreement, which provides for a depreciation reimbursement account to pay future principal payments under the Note, where Medicaid or third-party reimbursement is on a depreciation plus interest basis; any depreciation reserve fund agreement which provides for an escrow or trust account with an approved custodian or trustee established for replacing equipment and for funding of depreciation in accordance with a schedule approved by HUD;
- (t) all awards, payments, settlements or other compensation resulting from litigation involving the Project;
- (u) any and all licenses, bed authority, and/or certificates of need required to operate the Healthcare Facility and receive the benefits and reimbursements under a provider agreement with Medicaid, Medicare, any State or local programs, healthcare insurers or other assistance providers relied upon by HUD to insure this Security Instrument, to the extent allowed by law, and regardless of whether such rights and contracts are held by Secured Party or an operator; and
- (v) all receipts, revenues, income and other moneys received by or on behalf of the Healthcare Facility, including all Accounts Receivable, all contributions, donations, gifts, grants, bequests, all revenues derived from the operation of the Healthcare Facility and all rights to receive the same, whether in the form of Accounts Receivable, contract rights, chattel paper, instruments or other rights whether now owned or held or later acquired by or in connection with the operation of the Healthcare Facility.

EXHIBIT C
TO
UCC FINANCING STATEMENT

Collateral Description
(Collateral described in the Operator Security Agreement)

All of the following described property and interests in property, whether now in existence or hereafter arising, and relating to, situated or located on or used or usable in connection with the maintenance and/or operation of the property described in Exhibit A (hereafter referred to as the “**Land**”):

(a) All fixtures, furniture, equipment and other goods and tangible personal property of every kind and description whatsoever now or hereafter located on, in or at the Land, including, but not limited to, all lighting, laundry, incinerating and power equipment; all engines, boilers, machines, radiators, motors, furnaces, compressors and transformers; all power-generating equipment; all pumps, tanks, ducts, conduits, wire, switches, electrical equipment, and fixtures, fans and switchboards; all telephone equipment; all piping, tubing and plumbing equipment and fixtures; all heating, refrigeration, air-conditioning, cooling, ventilating, sprinkling, water, power, waste disposal and communications equipment, systems and apparatus; all water coolers and water heaters; all fire prevention, alarm and extinguishing systems and apparatus; all cleaning equipment; all lift, elevator and escalator equipment and apparatus; all partitions, shades, blinds, awnings, screens, screen doors, storm doors, exterior and interior signs, gas fixtures, stoves, ovens, refrigerators, garbage disposals, dishwashers, kitchen and laundry fixtures, utensils, appliances and equipment, cabinets, mirrors, mantles, floor coverings, carpets, rugs, draperies and other furnishings and furniture now or hereafter installed or used or usable in the operation of any part of the buildings, structures or improvements erected or to be erected in or upon the Land and every replacement thereof, accession thereto, or substitution therefor, whether or not all of the above are now or hereafter acquired or attached to the Land in any manner;

(b) All articles of tangible personal property not otherwise described herein which are now or hereafter located in, attached to or used in, on or about the buildings, structures or improvements now or hereafter located, placed, erected, constructed or built on the Land and all replacements thereof, accessions thereto, or substitution therefor, whether or not the same are, or will be, attached to such buildings, structures or improvements in any manner;

(c) All awards now or hereafter made (“**Awards**”) with respect to the Land as a result of (i) the exercise of the power of condemnation or eminent domain, or the police power, (ii) the alteration of the grade of any street, or (iii) any other injury or decrease in the value of the Land (including but not limited to any destruction or decrease in the value by fire or other casualty), whether or not any of the property described in this item (d) constitutes accounts, chattel paper, documents, general intangibles, instruments, investment property, deposit accounts, or money;

(d) All land surveys, plans and specifications, drawings, briefs and other work product and other papers and records now or hereafter used in the construction, reconstruction, alteration, repair or operation of the Land;

(e) All certificates and agreements for the provision of property or services to or in connection with, or otherwise benefiting, the Land and/or the Healthcare Facility;

(f) All licenses, permits, and/or approvals issued by any governmental authority with respect to the use or operation of the Healthcare Facility for the Approved Use as that term is defined in the Operator’s Regulatory Agreement, to the greatest extent permitted by and not in violation of applicable

law now enacted or hereafter amended, and any and all Medicaid/Medicare/TRICARE/CHAMPUS or other governmental insurance provider agreements. Provided that this Agreement shall be construed as granting to Lender a security interest, assigning receivables, giving dominion and control or designating an attorney-in-fact with respect to the Government Receivables Accounts, Government Payments and other Healthcare Assets to the greatest extent permitted by and not in violation of (i) applicable law, now enacted and/or hereafter amended, and (ii) the Provider Agreements. For purposes herein, "**Government Receivables Accounts**" shall mean separate deposit account(s) into which only Government Payments are deposited, and "**Government Payments**" shall mean a payment from a governmental entity and shall include, without limitation, payments governed under the Social Security Act (42 U.S.C. §§ 1395 et seq.), including payments under Medicare, Medicaid and TRICARE/CHAMPUS, and payments administered or regulated by the Centers for Medicare and Medicaid Services of U.S. Department of Health and Human Services;

~~(g) All funds, monies, securities and other property held in escrow, lock boxes, depository or blocked accounts or as reserves and all rights to receive (or to have distributed to Operator) any funds,~~
monies, securities or property held in escrow, lock boxes, depository or blocked accounts or as reserves including but not limited to all of Operator's rights (if any) to any funds or amounts in that certain reserve funds and/or residual receipts accounts created under any regulatory agreement required by the Secretary of Housing and Urban Development or the Federal Housing Administration Commissioner;

(h) All accounts, accounts receivable, general intangibles, chattel paper, instruments, rights to payment evidenced by instruments, documents, inventory, goods, cash, cash proceeds, bank accounts, deposit accounts, certificates of deposits, securities, insurance policies, letters of credit, letter of credit rights, deposits, judgments, liens, causes of action, warranties, guaranties and all other properties and assets of Operator, tangible or intangible, whether or not similar to the property described in this item (h). As used herein, the term "**accounts receivable**" shall include (i) all healthcare insurance receivables, including, but not limited to Medicaid and Medicare receivables, Veterans Administration or other governmental receivables, private patient receivables, and HMO receivables; (ii) any payments due or to be made to Operator relating to the Land or (iii) all other rights of Operator to receive payment of any kind with respect to the Land;

~~(i) All books, records and files of whatever type or nature relating to any or all of the property or interests in property described herein or the proceeds thereof, whether or not written, stored electronically or electromagnetically or in any other form, and whether or not such books, records, or files constitute accounts, equipment or general intangibles;~~

~~(j) Any and all security or other deposits which have not been forfeited by any tenant under any lease; and~~

(k) All products and proceeds of any and all of the property (and interests in property) described herein including but not limited to proceeds of any insurance, whether or not in the form of original collateral, accounts, contract rights, chattel paper, general intangibles, equipment, fixtures, goods, securities, leases, instruments, inventory, documents, deposit accounts or cash.