

January 22, 2020

The Honorable County Judge
and Commissioners Court of Collin County
Collin County Administration Building
2300 Bloomdale Rd.
Suite 4192
McKinney, Texas 75071

Re: Consent by Collin County to financing and refinancing by New Hope Cultural Education Facilities Finance Corporation for Sanctuary LTC, LLC

Ladies and Gentlemen:

New Hope Cultural Education Facilities Finance Corporation (the "Issuer") proposes to issue bonds (the "Bonds") pursuant to the Cultural Education Facilities Finance Corporation Act, Chapter 337, Texas Local Government Code, as amended (the "Act") to provide funds to finance certain health facilities for Sanctuary LTC, LLC, a Texas limited liability company (the "Borrower"), whose sole member is Preservation Freehold Company, a Delaware nonprofit corporation exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986. The proceeds of the Bonds will be used to finance and refinance skilled nursing and assisted living facilities for the Borrower in Texas and Oklahoma, including four facilities located in Collin County, in the cities of Celina, McKinney, Plano and Wylie (the "Project").

The facilities in Collin County are: (i) Accel at Willow Bend, located at 2620 Communications Parkway, Plano, Texas, consisting of approximately 110 licensed skilled nursing beds, together with common areas, (ii) Baybrooke Village Care and Rehab Center, located at 8300 Eldorado Parkway, McKinney, Texas, consisting of approximately 128 licensed skilled nursing beds, together with common areas, (iii) Garnet Hill Rehabilitation and Skilled Care, located at 1420 McCreary Road, Wylie, Texas, consisting of approximately 128 licensed skilled nursing beds, together with common areas and (iv) Settlers Ridge Care Center, located at 1280 Settlers Ridge Road, Celina, Texas, consisting of approximately 128 licensed skilled nursing beds, together with common areas.

Because a portion of the Project is located in Collin County, section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") requires that the approval of Collin County (or the highest elected official of Collin County) be obtained to the financing by the Issuer after the holding of a public hearing. A public hearing was held on January 21, 2020 and a copy of the minutes of the public hearing is enclosed as **Exhibit A**.



For your convenience, I have enclosed as **Exhibit B** a proposed form of a consent resolution. This approval is required solely for the purposes of satisfying the requirements of the Code and to enable the Issuer to proceed with the proposed financing of the Project with Bond proceeds. **This approval in no way imposes any payment or other obligations on Collin County in connection with the financing. Collin County will have no liability with respect to the proposed Bonds.**

Therefore, on behalf of the Issuer and the Borrower, we respectfully request that consideration of adoption of the enclosed consent resolution be placed on the agenda for the next available meeting of Collin County, Texas, and that the Commissioners Court approve and adopt such resolution. Upon such approval, I would also very much appreciate if you would email a scan or return an original version of the executed resolution to me at the contact information below. Please retain one copy for your file.

Please do not hesitate to contact me at (214) 754-9266 should you have any questions or comments. Thank you very much for your cooperation and assistance.

Sincerely yours,

McCall, Parkhurst & Horton L.L.P.

Abraham "Abe" Benavides

AAB:bc
Enclosures

Contact:
Abe Benavides
(214) 754-9266
abenavides@mphlegal.com
McCall, Parkhurst & Horton L.L.P.
717 North Harwood, Suite 900
Dallas, Texas 75201

January 22, 2020

SPECIAL DELIVERY (1958.064)

Mr. Bill Bilyeu
Collin County Administrator
Collin County Administration Building
2300 Bloomdale Rd.
Suite 4192
McKinney, Texas 75071

Re: Consent by Collin County to financing and refinancing by New Hope Cultural Education Facilities Finance Corporation for Sanctuary LTC, LLC

Dear Mr. Bilyeu:

Enclosed is a request by Sanctuary LTC, LLC, a Texas limited liability company (the "Borrower"), whose sole member is Preservation Freehold Company, a Delaware nonprofit corporation exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, that Collin County consent to the issuance of bonds by New Hope Cultural Education Facilities Finance Corporation (the "Issuer") for the financing and refinancing of certain senior living facilities for the Borrower.

As the enclosed letter explains, federal tax law requires that Collin County's consent be obtained prior to the financing by the Issuer. Collin County will have no liability with respect to the proposed bonds.

The Issuer and the Borrower would appreciate being placed on the next available agenda.

I will be in touch with you to answer any questions you may have.

Thank you for your assistance.

Sincerely yours,

McCall, Parkhurst & Horton L.L.P.



Abraham "Abe" Benavides

AAB:bc
Enclosures

EXHIBIT A

MINUTES OF PUBLIC HEARING

MINUTES OF PUBLIC HEARING
New Hope Cultural Education Facilities Finance Corporation

Re: New Hope Cultural Education Facilities Finance Corporation Retirement Facility Revenue Bonds (Preservation Freehold Project)

The undersigned, Abraham Benavides, designated Hearing Officer of New Hope Cultural Education Facilities Finance Corporation (the "Issuer"), the Issuer of the above referenced Bonds (the "Bonds"), called the Public Hearing of the Issuer held at McCall, Parkhurst & Horton L.L.P., 717 North Harwood, Suite 900, Dallas, Texas 75201 on Tuesday, January 21, 2020 to order at 10:00 a.m.

I declared that a Public Hearing, required under section 147(f) of the Internal Revenue Code of 1986 was open for purposes of discussing the Bonds and the project to be financed, refinanced or constructed with the proceeds of the Bonds (the "Project") by Preservation Freehold Company.

I declared that the required notice of the Public Hearing for the Project was published in THE DALLAS MORNING NEWS, being a newspaper of general circulation in Dallas County, Texas, Collin County, Texas and Town of New Hope, Texas, as evidenced by an Affidavit of Publication attached hereto as Exhibit A.

I proceeded to hold the Public Hearing. Comments and discussions with respect to the Bonds and the Project are summarized in Exhibit B hereto.

After sufficient time was given for all present to make their comments with respect to the Bonds and the Project, I declared the Public Hearing closed at 10:05 a.m.

Dated: January 21, 2020



Abraham Benavides, Hearing Officer
New Hope Cultural Education Facilities
Finance Corporation

EXHIBIT A

AFFIDAVIT OF PUBLICATION

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS §

COUNTY OF DALLAS §

CITY OF DALLAS §

BEFORE ME, a notary public in and for the above named County, on this day personally appeared the person whose name is subscribed below, who, having been duly sworn, says upon oath that he or she is a duly authorized officer or employee of THE DALLAS MORNING NEWS, (1) which is a newspaper of general circulation in Dallas County, Collin County and Town of New Hope, Texas; and (2) said newspaper is a "newspaper" as described in Sections 2051.044 and 2051.048 of the Texas Government Code; and that a true and correct copy of the NOTICE OF PUBLIC HEARING, a clipping of which is attached to this affidavit, was published in said Newspaper on JANUARY 12th, 2020.



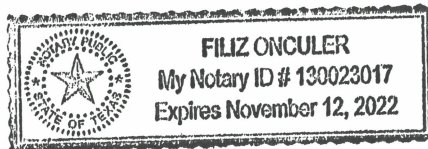
Authorized Officer or Employee

SUBSCRIBED AND SWORN TO BEFORE ME on the 13 day of JANUARY, 2020.



Notary Public

NOTARY SEAL



NOTICE OF PUBLIC HEARING

New Hope Cultural Education Facilities Finance Corporation (the "Issuer") will hold a public hearing at 10:00 a.m. on Tuesday, January 21, 2020 at the offices of McCall, Parkhurst & Horton L.L.P. located at 717 North Harwood, Suite 900, Dallas, Texas 75201. Among items to be discussed will be a proposal for issuance by the Issuer of its bonds or notes in one or more series (the "Bonds") in an aggregate principal amount not to exceed \$821,000,000, the proceeds of which will be loaned to Preservation Freehold Company, a Delaware nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower"), or an affiliated entity.

The proceeds of the Bonds will be loaned to the Borrower or an affiliated entity for the following purposes (collectively, the "Project"):

- (1) To finance the cost of acquisition of certain skilled nursing facilities located in Plano, Texas, known as Accel at Willow Bend, in a maximum amount of \$30,000,000, consisting of approximately 110 licensed skilled nursing beds, together with common areas, located at 2620 Communications Parkway in Plano, Texas.
- (2) To finance the cost of acquisition of certain skilled nursing facilities known as Baybrooke Village Care and Rehab Center, in a maximum amount of \$33,000,000, consisting of approximately 128 licensed skilled nursing beds, together with common areas, located at 8300 Eldorado Pkwy in McKinney, Texas.
- (3) To finance the cost of acquisition of certain skilled nursing facilities known as Briarcliff Skilled Nursing Center, in a maximum amount of \$18,000,000, consisting of approximately 93 licensed skilled nursing beds, together with common areas, located at 4054 NW Loop in Carthage, Texas.
- (4) To finance the cost of acquisition of certain skilled nursing facilities known as Colonial Pines Healthcare Center, in a maximum amount of \$16,000,000, consisting of approximately 107 licensed skilled nursing beds, together with common areas, located at 1203 FM 1277 in San Augustine, Texas.
- (5) To finance the cost of acquisition of certain skilled nursing facilities known as Garnet Hill Rehabilitation and Skilled Care, in a maximum amount of \$38,000,000, consisting of approximately 128 licensed skilled nursing beds, together with common areas, located at 1420 McCreary Road in Wylie, Texas.
- (6) To finance the cost of acquisition of certain skilled nursing facilities known as Heritage Plaza Nursing Center, in a maximum amount of \$19,000,000, consisting of approximately 95 licensed skilled nursing beds, together with common areas, located at 600 West 52nd Street in Texarkana, Texas.
- (7) To refinance the cost of certain assisted living facilities known as Lakewest Assisted Living, in a maximum amount of \$27,000,000, consisting of approximately 128 assisted living beds, together with common areas, located at 3494 Kingsbridge Street in Dallas, Texas.
- (8) To finance the cost of acquisition of certain skilled nursing facilities known as Pine Grove Nursing Center, in a maximum amount of \$26,000,000, consisting of approximately 120 licensed skilled nursing beds, together with common areas, located at 246 Haley Drive in Center, Texas.
- (9) To finance the cost of acquisition of certain skilled nursing facilities known as The Plaza at Lubbock, in a maximum amount of \$24,000,000, consisting of approximately 132 licensed skilled nursing beds, together with common areas, located at 4910 Emory Street in Lubbock, Texas.
- (10) To finance the cost of acquisition of certain skilled nursing facilities known as Providence Park Rehabilitation and Skilled Nursing, in a maximum amount of \$43,000,000, consisting of approximately 125 licensed skilled nursing beds, together with common areas, located at 5505 New Copeland Road in Tyler, Texas.
- (11) To finance the cost of acquisition of certain skilled nursing facilities known as Reunion Plaza Senior Care and Rehabilitation Center, in a maximum amount of \$28,000,000, consisting of approximately 129 licensed skilled nursing beds, together with common areas, located at 1401 Hampton Road in Texarkana, Texas.
- (12) To finance the cost of acquisition of certain skilled nursing facilities known as Settlers Ridge Care Center, in a maximum amount of \$26,000,000, consisting of approximately 128 licensed skilled nursing beds, together with common areas, located at 1280 Settlers Ridge Road in Celina, Texas.
- (13) To refinance the cost of certain skilled nursing and assisted living facilities known as Simpson Place, in a maximum amount of \$31,000,000, consisting of approximately 50 licensed skilled nursing beds and 120 assisted living units, together with common areas, located at 3922 Simpson Street in Dallas, Texas.
- (14) To finance the cost of acquisition of certain skilled nursing facilities known as Villages on MacArthur, in a maximum amount of \$23,000,000, consisting of approximately 124 licensed skilled nursing beds, together with common areas, located at 3443 North MacArthur Boulevard in Irving, Texas.

(15) To finance the cost of acquisition of certain skilled nursing facilities known as Williamsburg Village Healthcare Campus, in a maximum amount of \$46,000,000, consisting of approximately 242 licensed skilled nursing beds, together with common areas, located at 940 York Drive in DeSoto, Texas.

(16) To finance the cost of acquisition of certain skilled nursing facilities known as Accel at Crystal Park, in a maximum amount of \$34,000,000, consisting of approximately 59 licensed skilled nursing beds, together with common areas, located at 315 Southwest 80th Street in Oklahoma City, Oklahoma.

(17) To finance the cost of acquisition of certain skilled nursing facilities known as Garland Road Nursing & Rehab Center, in a maximum amount of \$26,000,000, consisting of approximately 118 licensed skilled nursing beds, together with common areas, located at 1404 North Garland Road in Enid, Oklahoma.

(18) To finance the cost of acquisition of certain skilled nursing facilities known as Highland Park Health Care, in a maximum amount of \$25,000,000, consisting of approximately 114 licensed skilled nursing beds, together with common areas, located at 1307 R. D. Miller Drive in Okmulgee, Oklahoma.

(19) To finance the cost of acquisition of certain skilled nursing facilities known as Meadowlake Estates, in a maximum amount of \$23,000,000, consisting of approximately 124 licensed skilled nursing beds, together with common areas, located at 959 Southwest 107th Street in Oklahoma City, Oklahoma.

(20) To finance the cost of acquisition of certain assisted living facilities known as Meadowlakes Retirement Village, in a maximum amount of \$11,000,000, consisting of approximately 61 assisted living beds, together with common areas, located at 963 Southwest 107th Street in Oklahoma City, Oklahoma.

(21) To finance the cost of acquisition of certain skilled nursing facilities known as Medical Park West Rehabilitation and Skilled Care, in a maximum amount of \$35,000,000, consisting of approximately 104 licensed skilled nursing beds, together with common areas, located at 3110 Healthplex Drive in Norman, Oklahoma.

(22) To finance the cost of acquisition of certain skilled nursing facilities known as Montevista Rehabilitation and Skilled Care, in a maximum amount of \$29,000,000, consisting of approximately 105 licensed skilled nursing beds, together with common areas, located at 7604 N.W. Quannah Parker Trailway in Lawton, Oklahoma.

(23) To finance the cost of acquisition of certain skilled nursing facilities known as Noble Health Care Center, in a maximum amount of \$26,000,000, consisting of approximately 110 licensed skilled nursing beds, together with common areas, located at 1501 North 8th Street in Noble, Oklahoma.

(24) To finance the cost of acquisition of certain skilled nursing facilities known as Ranchwood Nursing Center, in a maximum amount of \$40,000,000, consisting of approximately 150 licensed skilled nursing beds, together with common areas, located at 824 South Yukon Parkway in Yukon, Oklahoma.

(25) To finance the cost of acquisition of certain skilled nursing facilities known as Tulsa Nursing Center, in a maximum amount of \$26,000,000, consisting of approximately 104 licensed skilled nursing beds, together with common areas, located at 10912 East 14th Street in Tulsa, Oklahoma.

(26) To finance the cost of acquisition of certain skilled nursing facilities known as Tuscan Village Nursing Center, in a maximum amount of \$39,000,000, consisting of approximately 137 licensed skilled nursing beds, together with common areas, located at 2333 Tuscan Boulevard in Oklahoma City, Oklahoma.

(27) To finance the cost of acquisition of certain assisted living facilities known as Victorian Estates, in a maximum amount of \$4,000,000, consisting of approximately 38 assisted living beds, together with common areas, located at 1129 Cameo Drive in Yukon, Oklahoma.

(28) To finance the cost of acquisition of certain continuum of care facilities known as The Villages at Southern Hills, in a maximum amount of \$75,000,000, consisting of approximately 110 licensed skilled nursing beds and 98 assisted living units, together with common areas, located at 5721 S. Lewis Avenue in Tulsa, Oklahoma.

The communities listed in (7) and (13) above are currently owned and operated by the Borrower or an affiliated entity. Each of the other communities listed in (1) through (28) above will be owned by the Borrower or an affiliated entity.

All interested parties are invited to attend such public hearing to express their views with respect to the Project and the Bonds. Any interested persons unable to attend the hearing may submit their views in writing to the Issuer c/o Abraham Benavides, McCall, Parkhurst & Horton L.L.P., 717 North Harwood, Suite 900, Dallas, Texas 75201, prior to the date scheduled for the hearing.

This notice is published and the above described hearing is to be held in satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, regarding the public approval prerequisite to the exemption from federal income taxation of interest on the Bonds.

EXHIBIT B

No member of the public attended the Public Hearing, and thus no comments were made or discussion had about the Project or the Bonds.

EXHIBIT B

FORM OF CONSENT RESOLUTION

RESOLUTION APPROVING THE FINANCING BY
NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
OF HEALTH FACILITIES LOCATED WITHIN
COLLIN COUNTY, TEXAS

WHEREAS, the Cultural Education Facilities Finance Corporation Act, Chapter 337, Texas Local Government Code, as amended (the "Act"), authorizes and empowers New Hope Cultural Education Facilities Finance Corporation (the "Issuer") to issue revenue bonds or notes on behalf of the Town of New Hope, Texas (the "Issuing Unit") to finance the costs of health facilities found by the Board of Directors of the Issuer to be required, necessary or convenient for health care, research and education, any one or more, within the State of Texas and in furtherance of the public purposes of the Act; and

WHEREAS, Sanctuary LTC, LLC (the "Borrower"), a Texas limited liability company whose sole member is Preservation Freehold Company, a Delaware 501(c)(3) organization, has requested the Issuer to issue its bonds (the "Bonds") in a maximum aggregate principal amount not to exceed \$821,000,000 for the purpose of financing and refinancing skilled nursing and assisted living facilities for the Borrower in Texas and Oklahoma, including four facilities located in Collin County, in the cities of Celina, McKinney, Plano and Wylie (the "Project"); and

WHEREAS, pursuant to section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Issuer has caused to be published a notice of a public hearing (the "TEFRA Notice") with respect to the issuance of the Bonds and the financing of the Project, and held such a hearing after reasonable notice on January 21, 2020 (the "TEFRA Hearing"); and

WHEREAS, pursuant to the provisions of section 147(f) of the Code, the Commissioners Court of Collin County, Texas, after the TEFRA Hearing, must approve issuance of the Bonds by the Issuer to enable the Bonds to qualify as tax-exempt obligations under the Code; Now Therefore,

BE IT RESOLVED BY THE COMMISSIONERS COURT OF COLLIN COUNTY, TEXAS:

Section 1. The Commissioners Court, solely for the purposes of section 147(f) of the Code, hereby approves the issuance of the Bonds by the Issuer to finance and refinance the Project for the benefit of the Borrower.

Section 2. The foregoing approval is given in accordance with the provisions of section 147(f) of the Code and for no other purposes and is not to be construed as an undertaking by Collin County, Texas. The Bonds shall not constitute a liability, indebtedness, or an obligation of Collin County, Texas nor shall any of the assets of Collin County, Texas be pledged to the payment of the Bonds.

Section 3. This resolution shall take effect immediately from and after its passage and it is accordingly so resolved.

PASSED AND APPROVED, this the 4 day of FEBRUARY, 2020.



County Judge