

July 14, 2021

LONE STAR DELIVERY (1958.064)

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

Re: Consent to financing 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, on behalf of the Town of New Hope, Texas, to issue its bonds or notes in a maximum principal amount of \$821,000,000 (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) Acce! at Willow Bend, located at 2620 Communications Parkway, Plano, Texas, consisting of approximately 110 licensed skilled nursing beds, together with common area, (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 July 14, 2021 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.**

This consent resolution is substantially the same as the resolution adopted by Collin County on February 4, 2020. Due to the COVID-19 pandemic, the transaction was delayed and a new consent resolution is necessary.

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

RESOLUTION APPROVING THE FINANCING BY THE
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 purposes 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, as amended (the "Code") the Issuer has caused to be published a notice of public hearing (the "TEFRA Notice") with respect to the issuance of the Bonds and the financing the Project, and held such a hearing after reasonable notice on July 14, 2021 (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;

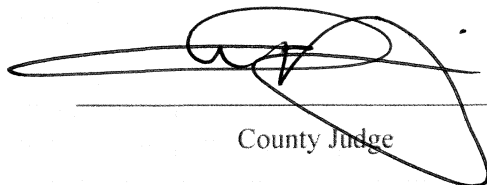
NOW THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF COLLIN COUNTY, TEXAS:

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 adoption and it is accordingly so ordered.

PASSED AND APPROVED, this the 2nd day of AUGUST, 2021.



County Judge

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

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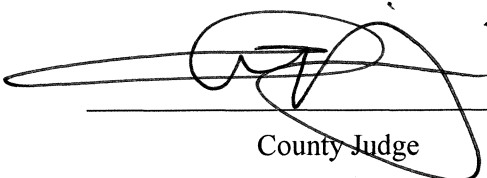
NOW THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF COLLIN COUNTY, TEXAS:

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.

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