

**ORIGIN BANK DIP LOAN
TERM SHEET FOR WEST HOUSTON**

1. DIP loan in the maximum amount of \$75,000, payable \$27,500 upon request in July, \$37,500 upon request in August and \$10,000 payable at the end of August.
2. The DIP loan will be secured by a senior secured lien (subject only to property taxes), cross-collateralized to secure the West Houston Note, in all of debtor West' Houston's personal property, including without limitation, all of the Debtor's equipment, inventory, accounts and general intangibles of every type and nature, now owned or hereafter acquired and wherever located. The Debtor's security interest in such personal property will be automatically perfected by the Order approving the DIP. Any equipment leases and other liens on FFE type property will not be primed.
3. Based on the CRO's budget provided to Origin Bank on 7/11, this amount is intended to cover (a) \$22,000 towards operational expense deficits and repairs through August 2019, (b) \$13,000 to cover the PCO's fees and expenses through August (to the extent allowed); (c) \$10,000 to cover expenses for the noticing agent for the 363 sale (to the extent allowed); (d) \$20,000 towards Harney's fees and expenses from July 10 through August (to the extent allowed) and (e) \$10,000 towards Harney's expenses through July 9 (to the extent allowed). Origin Bank cannot be later surcharged for these covered expenses.
4. If the property sells, from the sale proceeds, there will be carved out: (a) Harney fees and expenses through July 9 of \$18,443.50 (to the extent allowed); (b) West Houston's allocable share of Debtor's attorney fees and expenses through the date of closing, less \$25,000 to be applied from the West Houston retainer (to the extent such fees and expenses are allowed); (c) Cushman Wakefield's commission plus expenses (to the extent allowed); and (d) cost of Third Party Reports. In the event patients are moved, the Bank will provide up to an additional \$7,500 DIP loan to facilitate move out of residents and proper preservation and storage of medical records to the satisfaction of the AG's office.
5. The Debtor and CRO will seek to market the West Houston facility with Cushman Wakefield, along with the Cinco Ranch and Pearland facilities, and potentially other facilities. Cushman's commission will be 2% plus expenses. Absent further agreement from Origin, the sale must close by 8/30/19 and the listing agreement will expire 8/30/19. The proposed sales price for the West Houston facility must be acceptable to Origin. The DIP and lift stay orders need to be in forms acceptable to Origin. The retention and sale orders need to be in forms acceptable to Origin with such approval not to be unreasonably withheld.

6. The automatic stay will lift on 7/18/19 only for the purpose of allowing Origin to take steps to post the West Houston property for foreclosure, with such actual posting to occur no earlier than 8/12. If the sale does not close by 8/30/19, the automatic stay will lift on 8/31/19 to allow Origin to proceed to foreclosure of its collateral under the Note and DIP.
7. If a sale does not close by 8/30/19, at the Bank's sole option, (a) the Debtor will take prompt steps to safely relocate patients at the West Houston facility to other facilities; or (b) the Debtor will take all necessary steps to permit the Bank to install a new management company and to continue operations of the facility from and after 8/31/19, including after foreclosure. The Debtors' professionals will not be expected to provide any services after August 31 without any assurance of payment.
8. The Bank reserves its right to credit bid and the DIP loan obligation will be an admin claim.