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May 30, 2019

VIA FEDEX

Jeannie Mitchell
General Counsel
Illinois Health Facilities and Services Review Board
525 West Jefferson, 2nd Floor
Springfield, Illinois 62716

Re: **Transformative Health of McHenry (Project #18-016) - Change of Ownership Update**

Dear Ms. Mitchell:

We represent McHenry Senior Partners, LLC, TCO JV, LLC, and the Leo Brown Group, L.L.C. (the "Permit Holders") in relation to Illinois Health Facilities and Services Review Board ("HFSRB") Project #18-016, Transformative Health of McHenry. The purpose of this letter is to provide an update to the letter we sent to the HFSRB on April 25, 2019. In that letter we provided notice of our financial commitment of the project and information on a new equity investor in the project. We inadvertently misstated the name of the new equity investor on the April 25, 2019 letter and are providing an update on the correct name of that entity and an update on the description of the transaction. To be clear the management and control of the permit holder for Project #18-016 Transformative Health of McHenry will still remain the same.

Description of the Transaction

McHenry Senior Investors, LLC is an owner of both the operating company TCO JV, LLC and underlying property owner, McHenry Senior Partners, LLC. KCB Ignite McHenry, LLC will be acquiring 100% of both the property owner and operating company. Importantly, TCO JV LLC will remain the permit holder and the licensee for the facility.

Under the proposed corporate reorganization, KCB Real Estate VII LP will become the indirect 90% owner of KCB Ignite McHenry, LLC and McHenry Senior Investors, LLC will become the indirect 10% owner of KCB Ignite McHenry, LLC. This corporate reorganization will be accomplished as follows:

- The Leo Brown Group, L.L.C. will transfer its interest in McHenry Senior Partners, LLC for an equal equity interest in McHenry Senior Investors, LLC. The Leo Brown Group, L.L.C. will be transferring the entirety of its ownership interest in McHenry Senior Investors, LLC into a wholly owned subsidiary named LBG McHenry, LLC.

- Ignite McHenry Property, LLC will transfer its interest in McHenry Senior Partners, LLC to Ignite McHenry, LLC in exchange for an equity interest in Ignite McHenry, LLC.

- McHenry Senior Investors, LLC and Ignite McHenry, LLC will acquire JMD & Associates, LLC interest in TCO JV, LLC.

- Ignite McHenry, LLC will transfer it's equity interests in McHenry Senior Partners, LLC and TCO JV, LLC to McHenry Senior Investors, LLC in exchange for an equity interest in McHenry Senior Investors, LLC.

- McHenry Senior Investors, LLC will transfer its equity interests in McHenry Senior Partner, LLC and TCO JV, LLC to a new joint venture entity KCB Ignite McHenry, LLC in exchange for an interest in KCB Ignite McHenry, LLC.

- Management and control of Transformative Health of McHenry is and will remain vested in TCO JV, LLC as the licensee/operator.

- The new joint venture entity, KCB Ignite McHenry, LLC will be formed to own 100% of the direct ownership interest in the property owner McHenry Senior Partners, LLC and the operator/licensee TCO JV, LLC. KCB Ignite McHenry, LLC will in turn be owned by 90% by KCB Real Estate VII LP and 10% by McHenry Senior Investors, LLC.

For the avoidance of doubt, the change in ownership described above will be at the indirect ownership level. Enclosed with this letter is an updated organizational chart detailing the ownership structure pre-closing and post-closing of the proposed transfers of ownership interest and corporate reorganization. The above described transactions are scheduled to close in June 2019.

If there are any additional questions or concerns with regard to this reporting of a temporary suspension, please do not hesitate to contact me at 312-212-4967 or my colleague Mark J. Silberman at 312-212-4952 or via email at JMorado@Beneschlaw.com or MSilberman@Beneschlaw.com, respectively.

Best Regards,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

Juan Morado, Jr.

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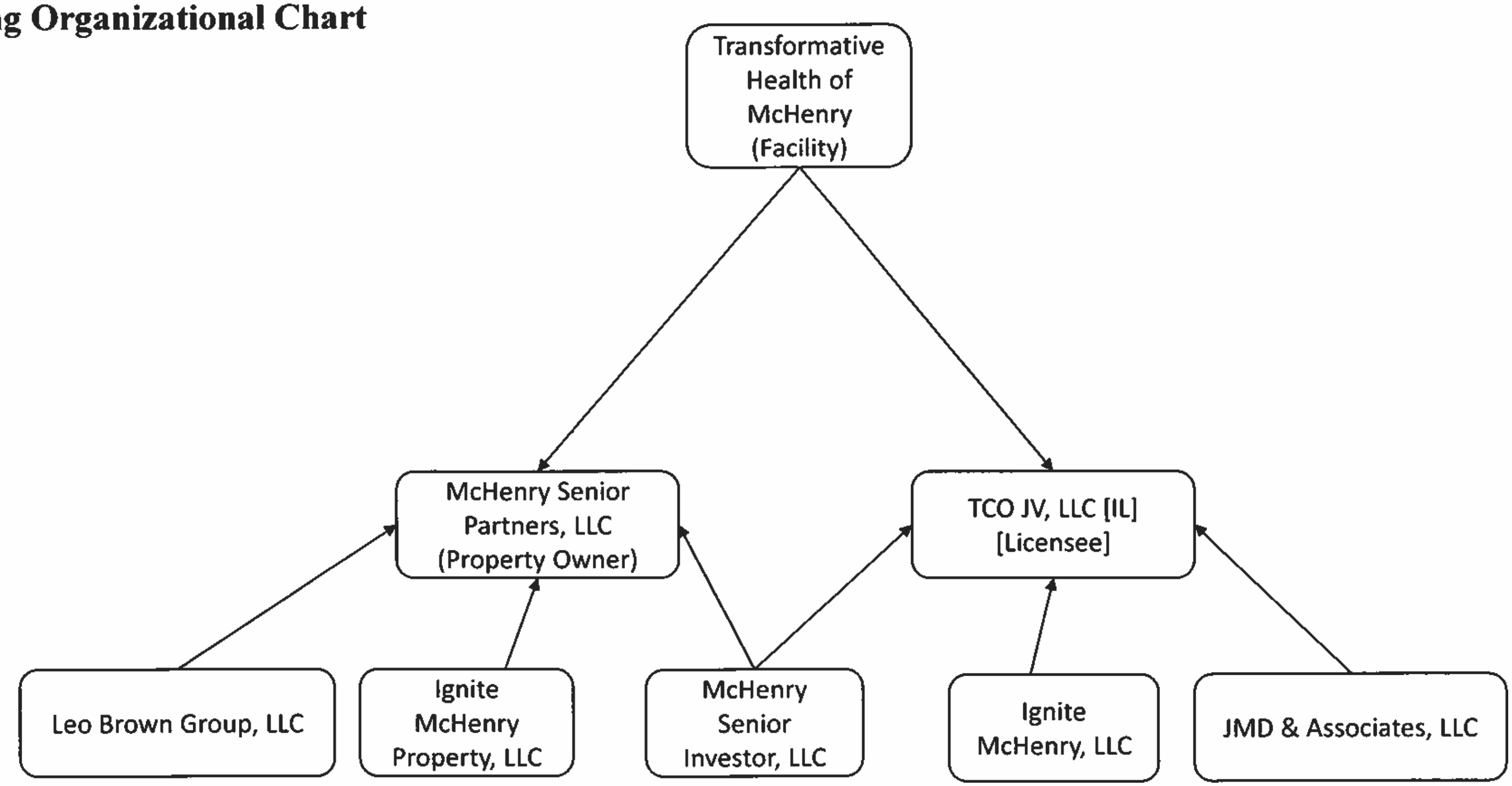
Enclosures

Pre-Closing Organizational Chart



Post-Closing Organizational Chart