

September 30, 2024

VIA EMAIL DELIVERY (ctyjudge@wilco.org)

Mr. Bill Gravell Jr.

County Judge

Williamson County, Texas

710 S. Main Street, Ste. 101

Georgetown, Texas 78626

Re: Consent to financing by New Hope Cultural Education
Facilities Finance Corporation for Superior Living Foundation, Inc.

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 \$370,656,000 (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 Superior Living Foundation, Inc., a Maryland nonprofit corporation exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, or an affiliated entity (the "Borrower"). The proceeds of the Bonds will be used for financing the cost of the acquisition of 15 skilled nursing facilities located in Bexar, Bowie, Cass, Ellis, Harris, Harrison, Nacogdoches, Nueces, Smith, Travis and Williamson Counties in the State of Texas (the "Project"). Our firm is acting as bond counsel to the Issuer in connection with the issuance of the Bonds.

The skilled nursing facility in Williamson County is New Hope Manor located at 1623 W. New Hope Dr., Cedar Park, Texas 78613.

Because a portion of the Project is located in Williamson County, section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") requires that the approval of Williamson County (or the highest elected official of Williamson County) be obtained to the financing by the Issuer after the holding of a public hearing. A public hearing was held on September 11, 2024, 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 Williamson County in connection with the financing. Williamson 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 Williamson 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 assistance.

Sincerely yours,

McCall, Parkhurst & Horton L.L.P.

Abraham "Abe" Benavides

AAB:la
Enclosures

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

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 Senior Living
Revenue Bonds (Superior Living Foundation Project) Series 2024

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 "Obligations"), called the Public Hearing of the Issuer held on Wednesday, September 11, 2024, to order at 8:30 a.m. CT via teleconference.

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 Obligations and the project to be financed, refinanced or constructed with the proceeds of the Obligations (the "Project").

I declared that the required notice of the Public Hearing for the Project was published in the WILLIAMSON COUNTY SUN, being a newspaper of general circulation in Williamson County, Texas, as evidenced by an Affidavit of Publication attached hereto as Exhibit A.

I proceeded to hold the Public Hearing. No member of the public joined the teleconference for the Public Hearing and thus no comments were made or discussed about the Project or the Obligations.

After sufficient time was given for all present to make their comments with respect to the Obligations and the Project, I declared the Public Hearing closed at 8:45 a.m.

Dated: September 11, 2024



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

EXHIBIT A

AFFIDAVIT OF PUBLICATION

Affidavit of Publication

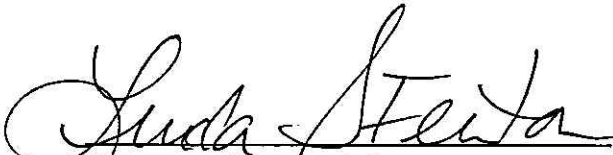
THE STATE OF TEXAS
COUNTY OF WILLIAMSON
IN THE MATTER OF

McCall Parkhurst & Horton

Notice of Public Hearing New Hope Cultural Education Facilities Finance Corporation


The Williamson County Sun / Sunday Sun, newspapers of general circulation have continuously and regularly published for a period of not less than one year in the County of WILLIAMSON, preceding the date of the above referenced notice. Said notice was published in said newspapers as follows:

September 4, 2024


Newspaper Representative

Subscribed and sworn to before me this

date: September 4th 2024


Jessica Ann Ohle, Notary Public
My Commission Expires July 15, 2028



NOTICE OF PUBLIC HEARING

Notice is hereby given of a public hearing to be held by the New Hope Cultural Education Facilities Finance Corporation (the "Issuer") on Wednesday, September 11, 2024 at 8:30 a.m. CT via teleconference. 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"), pursuant to a plan

of financing, in an aggregate principal amount not to exceed \$370,656,000, the proceeds of which will be loaned to Superior Living Foundation, Inc., a Maryland 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 at 1007 S. Washington Ave., Marshall, Texas 75670, known as Marshall Manor Nursing & Rehab Center, in a maximum amount of \$29,448,222.
- (2) To finance the cost of acquisition of certain skilled nursing facilities located at 207 W. Merit Street, Marshall, Texas 75670, known as Marshall Manor West, in a maximum amount of \$25,688,875.
- (3) To finance the cost of acquisition of certain skilled nursing facilities located at 1615 Hillendahl Road, Houston, Texas 77055, known as Spring Branch Transitional Care Center, in a maximum amount of \$31,641,175.
- (4) To finance the cost of acquisition of certain skilled nursing facilities located at 333 N. FM 95, Garrison, Texas 75946, known as Garrison Nursing Home & Rehab Center, in a maximum amount of \$62,185,873.
- (5) To finance the cost of acquisition of certain skilled nursing facilities located at 4920 Elizabeth Street, Texarkana, Texas 75503, known as The Villa at Texarkana, in a maximum amount of \$14,833,759.
- (6) To finance the cost of acquisition of certain skilled nursing facilities located at 1104 S. William St, Atlanta, Texas 75551, known as Golden Villa, in a maximum amount of \$33,677,488.
- (7) To finance the cost of acquisition of certain skilled nursing facilities located at 200 Live Oak St, Atlanta, Texas 75551, known as Rose Haven Retreat, in a maximum amount of \$29,134,943.
- (8) To finance the cost of acquisition of certain skilled nursing facilities located at 1623 W. New Hope Dr., Cedar Park, Texas 78613, known as New Hope Manor, in a maximum amount of \$15,695,276.
- (9) To finance the cost of acquisition of certain skilled nursing facilities located at 5607 Everhart Rd., Corpus Christi, Texas 78411, known as The Palms, in a maximum amount of \$14,959,070.
- (10) To finance the cost of acquisition of certain skilled nursing facilities located at 12042 Bittern Hollow, Austin, Texas 78758, known as Gracy Woods II Living Center, in a maximum amount of \$19,736,574.
- (11) To finance the cost of acquisition of certain skilled nursing facilities located at 107 Stacy Dr., Whitehouse, Texas 75791, known as Oak Brook Care Center, in a maximum amount of \$27,881,827.
- (12) To finance the cost of acquisition of certain skilled nursing facilities located at 8861 Fulton Street, Houston, Texas 77022, known as Highland Park Rehab & Nursing Center, in a maximum amount of \$24,279,119.
- (13) To finance the cost of acquisition of certain skilled nursing facilities located at 9738 Westover Hills Boulevard, San Antonio, Texas 78251, known as Las Colinas, in a maximum amount of \$18,044,868.
- (14) To finance the cost of acquisition of certain skilled nursing facilities located at 12021 Metric Blvd., Austin, Texas 78758, known as Gracy Woods I Nursing Center, in a maximum amount of \$18,013,540.
- (15) To finance the cost of acquisition of certain skilled nursing facilities located at 2300 S. Oak Grove Rd., Ennis, Texas 75119, known as Blue Bonnet Rehabilitation at Ennis, in a maximum amount of \$5,435,390.

Each of the communities listed above will be owned by the Borrower or an affiliated entity.

All interested parties are invited to express their views with respect to the Project and the Bonds by attending the public hearing to be held via teleconference, by dialing

the following toll-free number: 1-888-557-8511 (Passcode: 3788659#). Any interested persons unable to attend the hearing may submit their views in writing to the Issuer c/o Abraham "Abe" 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.

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EXHIBIT B

FORM OF CONSENT RESOLUTION

RESOLUTION APPROVING THE FINANCING BY THE
NEW HOPE CULTURAL EDUCATION FACILITIES FINANCE CORPORATION
OF HEALTH FACILITIES LOCATED WITHIN
WILLIAMSON 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, Superior Living Foundation, Inc., a Maryland 501(c)(3) organization, or an affiliated entity (the "Borrower"), proposes to obtain financing from the Issuer from the proceeds of one or more series of the Issuer's bonds or notes, pursuant to a plan of financing, in a maximum principal amount of \$370,656,000 (the "Bonds") and will use a portion of the proceeds of the Bonds to finance the cost of acquisition of certain skilled nursing facilities, including the skilled nursing facility known as New Hope Manor located at 1623 W. New Hope Dr., Cedar Park, Texas 78613 (the "Project").

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 September 11, 2024 (the "TEFRA Hearing"); and

WHEREAS, pursuant to the provisions of section 147(f) of the Code, the Commissioners Court of Williamson 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 WILLIAMSON 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 Williamson County, Texas. The Bonds shall not constitute a liability, indebtedness, or an obligation of Williamson County, Texas nor shall any of the assets of Williamson 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 _____ day of _____, 2024.

County Judge

Superior Living Foundation

CARING HEALTHCARE GROUP

New Hope Manor Nursing and Rehabilitation

11623 W. NEW HOPE DRIVE CEDAR PARK, TX 78613



New Hope Manor ("New Hope") was built and began operating in 1989. It was acquired by its current ownership in 2012, at which time an affiliate of CHC SNF Management LLC ("Caring Healthcare") became the day-to-day manager of the home. New Hope has 114 licensed beds.

New Hope is under contract to be sold to the **Superior Living Foundation, Inc. ("SLF")**. Formed in 2018, SLF is a registered 501(c)(3) not-for-profit corporation.

New Hope has been a steady employer in the City of Cedar Park within Williamson County for roughly 35 years. Although Texas continues to outpace coastal states in economic recovery following the COVID-19 pandemic, the healthcare industry as a whole has lagged in filling vacant employment positions, especially in senior housing. These staffing challenges are a significant driver of New Hope's sub-par CMS 5-star ratings (i.e., the low staffing star rating that is dragging down their overall rating).

As a charitable organization, SLF does not contemplate pecuniary gain or profit, incidental or otherwise. SLF is organized and shall operate exclusively for charitable, religious, scientific, literary, and educational purpose within the meaning of section 501(c)(3) of the Internal Revenue Code, including the purpose of making distributions to organizations described in section 501(c)(3) of the Internal Revenue Code. The purpose of SLF is to provide: (i) affordable in-patient and outpatient healthcare, residential services, and housing services to vulnerable populations, including assisted living and memory care housing and living facilities for the elderly; (ii) other residential and healthcare services to meet the needs of the residents of such facilities including for the maintenance of their overall health; (iii) other residential and acute healthcare services required by communities including residential and acute psychiatric or behavioral health services; and (iv) residential, psychiatric and addiction treatment services to children, adolescents, adults and the elderly; provided, however, that such purposes shall not limit the ability of SLF to carry out any other charitable, religious, scientific, literary, and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code.

CMS 5-Star Rating History				
Year	Overall	Health Survey	Quality Measures	Staffing
2022	4	5	4	1
2023	3	4	4	1
2024	3	2	5	2

SLF is financing this purchase with private activity bonds. The IRS, under the Tax Equity and Fiscal Responsibility Act ("TEFRA") of 1982, requires Williamson County to approve local investments financed with private activity bonds. TEFRA requires, among other things, that the issue be approved either by an elected official, or body of elected officials, of the applicable governmental entity after a public hearing following reasonable public notice. The TEFRA process is a routine pre-condition of private activity bond financings for airports, seaports, private universities, and not-for-profit hospitals and healthcare facilities. Williamson County will not be subject to any liability with respect to the bond financing, or operations of the New Hope facility. The approval is a critical step for a successful transaction, a transaction which will provide numerous and lasting benefits, both direct and indirect, to the citizens of Williamson County, as well as the employees and, most importantly, the residents of New Hope Manor.