

CLOSING ITEM NO.: A-1

TOWN OF AMHERST DEVELOPMENT CORPORATION

AND

BEECHWOOD HEALTH CARE CENTER, INC.

AND

M&T BANK,
AS HOLDER

AND

M&T BANK,
AS DISBURSING AGENT

BOND PURCHASE
AND DISBURSING AGREEMENT

DATED AS OF SEPTEMBER 1, 2017

RELATING TO THE TAX-EXEMPT REVENUE BOND (BEECHWOOD HEALTH CARE CENTER, INC. PROJECT), SERIES 2017 IN THE PRINCIPAL AMOUNT OF \$9,675,000 ISSUED BY THE TOWN OF AMHERST DEVELOPMENT CORPORATION.

THIS BOND PURCHASE AND DISBURSING AGREEMENT, TO THE EXTENT THAT IT PERTAINS TO THE IMPROVEMENT OF REAL PROPERTY, IS INTENDED TO FUNCTION AS A "BUILDING LOAN CONTRACT" AS DEFINED IN SECTION 2(13) OF THE LIEN LAW OF THE STATE OF NEW YORK.

TABLE OF CONTENTS

(This Table of Contents is not part of the Bond Purchase and Disbursing Agreement
and is for convenience of reference only.)

	<u>PAGE</u>
PARTIES.....	1
RECITALS.....	1

ARTICLE I

DEFINITIONS

Section 101.	Definitions	6
Section 102.	Interpretation	6

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 201.	Representations of and Warranties by the Issuer	7
Section 202.	Covenants of the Issuer with the Holder.....	8
Section 203.	Representations of and Warranties by the Company.....	8
Section 204.	Covenants of the Company with the Holder.....	10
Section 205.	Representations and Covenants of the Holder.....	11

ARTICLE III

PURCHASE AND SALE OF THE BOND

Section 301.	Closing Date	14
Section 302.	Conditions Precedent to the Closing.....	14
Section 303.	Registered Bond	16
Section 304.	Loss, Theft, Destruction or Mutilation of the Bond	17
Section 305.	Specific Details of the Bond.....	17

ARTICLE IV

BOND PROCEEDS AND APPLICATION THEREOF;
DISBURSEMENTS OF BOND PROCEEDS

Section 401.	Application of Proceeds of the Bond.....	19
Section 402.	Establishment of Funds	19
Section 403.	Project Fund; Requests for Disbursement	19
Section 404.	Conditions Precedent to the Initial Disbursement from the Project Fund	21

Section 405.	Conditions Precedent to Disbursements after the Initial Disbursement	22
Section 406.	Access to the Project Facility by the Holder	23
Section 407.	Effect of Inspections and Disbursements	23
Section 408.	Disbursements Upon Events of Default	23
Section 409.	Reserved	24
Section 410.	Reserved	24
Section 411.	Investment of Moneys in Funds	24
Section 412.	Lien on Funds	24

ARTICLE V

REPAYMENT BY THE ISSUER AND THE COMPANY

Section 501.	Payment of Principal, Premium, if any, and Interest	25
Section 502.	Prepayment and Mandatory Tender of the Bond	25
Section 503.	Special Obligations	26
Section 504.	Defeasance	27
Section 505.	Additional Amounts Payable Following an Event of Taxability	27
Section 506.	Increased Costs; Capital Adequacy	27

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 601.	Events of Default Defined	30
Section 602.	Remedies on Default	31
Section 603.	Remedies Cumulative	32
Section 604.	Waivers; No Additional Waiver Implied by One Waiver	32
Section 605.	Agreement to Pay Attorney's Fees and Expenses	32

ARTICLE VII

DISBURSING AGENT AND BOND REGISTRAR

Section 701.	Appointment of Disbursing Agent and Bond Registrar, and Acceptance of Duties	34
Section 702.	Merger or Consolidation of Disbursing Agent or Bond Registrar	35
Section 703.	Resignation by Disbursing Agent or Bond Registrar	35

ARTICLE VIII

MISCELLANEOUS

Section 801.	Company to Pay Expenses	36
Section 802.	Notices	36
Section 803.	Amendment	37
Section 804.	Binding Effect	37

Section 805.	Execution of Counterparts	38
Section 806.	Applicable Law.....	38
Section 807.	No Recourse; Special Obligation.....	38
Section 808.	Headings and Table of Contents.....	39
Section 809.	Severability.....	39
Section 810.	Survival of Obligations.....	39
Section 811.	Recording and Filing	39
Section 812.	Lien Law Affidavit.....	40
Section 813.	Bifurcation.....	40
Section 814.	Participation.....	40
Section 815.	Patriot Act Notices.....	40
TESTIMONIUM.....		41
SIGNATURES		41
ACKNOWLEDGMENTS.....		42
APPENDIX A - Schedule of Definitions		AppA-1
SCHEDULE I - Form of the Bond.....		I-1
EXHIBIT A -	Description of the Land	A-1
EXHIBIT B -	Description of the Equipment.....	B-1
EXHIBIT C -	Form of Request for Disbursement.....	C-1
EXHIBIT D -	Lien Law Section 22 Affidavit	D-1

BOND PURCHASE AND DISBURSING AGREEMENT

THIS BOND PURCHASE AND DISBURSING AGREEMENT dated as of September 1, 2017 (the "Bond Purchase Agreement") by and among (A) TOWN OF AMHERST DEVELOPMENT CORPORATION (the "Issuer"), a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 4287 Main Street, Amherst, New York, (B) M&T BANK, a banking corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at M&T Center, One Fountain Plaza, Buffalo, New York, as holder (the "Holder") of the Issuer's Tax-Exempt Revenue Bond (Beechwood Health Care Center, Inc. Project), Series 2017 in the principal amount of \$9,675,000 (the "Bond"), (C) BEECHWOOD HEALTH CARE CENTER, INC., a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 2235 Millersport Highway, Getzville, New York (the "Company"), and (D) M&T BANK, a banking corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at M&T Center, One Fountain Plaza, Buffalo, New York, as disbursing agent (the "Disbursing Agent");

WITNESSETH:

WHEREAS, the Issuer is a New York not-for-profit corporation, created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act"). Pursuant to the provisions of the Enabling Act and Revenue Ruling 57-187 and Private Letter Ruling 200936012, the Town Board of Town of Amherst, New York (the "Town") adopted a resolution on October 5, 2009 (the "Sponsor Resolution") (1) authorizing the reincorporation of the Issuer under the Enabling Act and (2) appointing the initial members of the board of directors of the Issuer. In February, 2010, a certificate of reincorporation was filed with the New York Secretary of State's Office, (the "Certificate of Reincorporation"); and

WHEREAS, Issuer is authorized and empowered by the provisions of Section 1411 of the Enabling Act to take steps to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, instruct or train individuals to improve or develop their capabilities for such jobs, carry on scientific research for the purpose of aiding a community or geographical area by attracting new industry to the community or area or by encouraging the development of, or retention of, an industry in the community or area, lessening the burdens of government and acting in the public interest; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Enabling Act and its Certificate of Reincorporation to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as described in the Enabling Act and the Certificate of Reincorporation), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in May, 2017, Beechwood Health Care Center, Inc., a New York not-for-profit corporation (the "Company"), submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the financing of all or a portion of the costs of (a) the renovation and reconstruction of portions of the existing buildings constituting a 272-bed skilled nursing facility which provides both long term care programs and short term care sub-acute services and containing in the aggregate approximately 325,000 square feet of space (collectively, the "Facility") located on a parcel of real estate containing

approximately 16.346 acres and having an address of 2235 Millersport Highway in the Town of Amherst, Erie County, New York (the “Land”), and (b) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), and (2) the refunding, in whole or in part, of the Town of Amherst Industrial Development Agency’s Tax-Exempt Civic Facility Revenue Bonds (Beechwood Health Care Center, Inc. Project), Series 2006A in the original aggregate principal amount of \$14,860,000 (the “Prior Bonds”), which Prior Bonds were issued on January 18, 2007 to undertake the following project (the “Prior Project”): (a) the financing of prior capital projects relating to the Project Facility, including, but not limited, to the reconstruction and renovation of the Facility, the construction of additions to the Facility and the acquisition and installation of machinery and equipment, and (b) the refinancing of certain indebtedness incurred by the Company in undertaking certain capital improvements at the Project Facility; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be \$9,895,000 and in any event not to exceed \$11,500,000 (the “Obligations”); (C) the payment of all or a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (D) the making of a loan (the “Loan”) of the proceeds of the Obligations to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, in response to the receipt by the Issuer of the Application, the Chief Executive Officer of the Issuer (A) caused notice of a public hearing of the Issuer (the “Public Hearing”) pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and, as provided in the Certificate of Reincorporation, pursuant to the applicable provisions of Section 859-a and Section 859-b of the General Municipal Law of the State of New York (the “GML”), to hear all persons interested in the Project and the financial assistance being contemplated by the Issuer with respect to the Project, to be published in the Buffalo News, a newspaper of general circulation available to the residents of the Town of Amherst, Erie County, New York, (B) caused notice of the Public Hearing to be posted on (1) in the Amherst Town Clerk’s office in the Town of Amherst Town Hall located at 5583 Main Street in the Town of Amherst, Erie County, New York and (2) on the Issuer’s website, (C) caused notice of the Public Hearing to be mailed to the chief executive officers of the county and of each city, town, village and school district in which the Prior Project Facility is (or will be) located, (D) conducted the Public Hearing at the offices of the Issuer located at 4287 Main Street in the Town of Amherst, Erie County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) which fairly summarized the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the board of directors of the Issuer and to the Town Board of Town of Amherst, New York (the “Town Board”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Issuer on July 21, 2017 (the “SEQR Resolution”), the Issuer determined that the Project constitutes a “Type II Action” (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQR; and

WHEREAS, by resolution adopted by the members of the board of directors of the Issuer on July 21, 2017 (the “Inducement Resolution”), the board of directors of the Issuer determined, following a review of the Public Hearing Report, to proceed with the Project; and

WHEREAS, by resolution adopted by the members of the board of directors of the Issuer on July 21, 2017 (the "Bond Resolution"), the board of directors of the Issuer authorized the issuance of the Issuer's Tax-Exempt Revenue Bond (Beechwood Health Care Center, Inc. Project), Series 2017 in the principal amount of \$9,675,000 (the "Bond") for the purpose of financing a portion of the costs of the Project, delegating to the Chairman, Vice Chairman or Chief Executive Officer of the Issuer authority to determine the final details of the Bond (the "Bond Details"); and

WHEREAS, by resolution adopted on August 14, 2017 (the "Public Approval"), the Town Board approved the issuance of the Bond for purposes of Section 147(f) of the Code; and

WHEREAS, the Issuer will now issue its Bond under the Bond Resolution, a certificate of determination dated September 14, 2017 (the "Certificate of Determination") executed by the Chairman of the Issuer and this Bond Purchase Agreement; and

WHEREAS, pursuant to this Bond Purchase Agreement, the Holder will disburse the proceeds of the Bond to the Company from time to time to pay the costs of the Project, but only upon satisfaction of the requirements for making such disbursements set forth herein and in the hereinafter described Loan Agreement; and

WHEREAS, prior to or simultaneously with the issuance of the Bond, the Issuer and the Company will execute and deliver a loan agreement dated as of September 1, 2017 (the "Loan Agreement") by and between the Issuer, as lender, and the Company, as borrower, pursuant to the terms of which Loan Agreement (A) the Issuer will agree (1) to issue the Bond, and (2) to make a loan to the Company of the proceeds of the Bond (the "Loan") for the purpose of assisting in financing the Project, and (B) in consideration of the Loan, the Company will agree (1) to cause the Project to be undertaken and completed, (2) to use the proceeds of the Loan disbursed hereunder to pay (or reimburse the Company for the payment of) the costs of the Project, and (3) to make payments sufficient in amount to pay when due all amounts due with respect to the Bond (the "Loan Payments") to or upon the order of the Issuer in repayment of the Loan, which Loan Payments shall include amounts equal to the Debt Service Payments due on the Bond; and

WHEREAS, as security for the Bond, the Issuer will execute and deliver to the Holder a pledge and assignment dated as of September 1, 2017 (the "Pledge and Assignment") from the Issuer to the Holder, and acknowledged by the Company, which Pledge and Assignment will assign to the Holder certain of the Issuer's rights under the Loan Agreement, and pursuant to the Pledge and Assignment, basic Loan Payments made by the Company under the Loan Agreement are to be paid directly to the Holder; and

WHEREAS, as additional security for the Bond, all amounts required to be paid under the Bond Purchase Agreement and the performance and observance by the Company of its obligations under the Loan Agreement and the other Bond Documents, (A) the Company will execute and deliver to the Issuer (1) a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of August 1, 2017 (as the same may from time to time be amended, consolidated, spread, split, released, restated or supplemented, the "Mortgage") from the Company to the Issuer, which Mortgage among other things, grants to the Issuer a first mortgage lien on, and a security interest in, among other things, the Project Facility and all rights of the Company in the Loan Agreement, and (2) an Assignment of Leases, Rents and Profits dated as of August 1, 2017 (as the same may from time to time hereafter be amended or supplemented, the "Assignment of Rents") from the Company to the Issuer, which Assignment of Rents, among other things, assigns to the Issuer (a) the rents, issues and profits of the Project Facility and (b) all leases, subleases, licenses or occupancy agreements affecting the Project Facility, and (B) the Issuer will

execute and deliver to the Holder (1) an Assignment of Mortgage dated as of August 1, 2017 (the "Mortgage Assignment") from the Issuer to the Holder, pursuant to which the Issuer will assign the Mortgage to the Holder, and (2) an Assignment of Assignment of Rents and Leases dated as of August 1, 2017 (the "Assignment of Rents Assignment") from the Issuer to the Holder, pursuant to which the Issuer will assign the Assignment of Rents to the Holder; and

WHEREAS, also simultaneously with the issuance of the Bond, the Issuer, the Town of Amherst Industrial Development Agency (the "Prior Issuer"), Manufacturers and Traders Trust Company (the "Prior Trustee") and the Company will execute and deliver a defeasance escrow agreement dated as of September 1, 2017 among the Issuer, the Prior Trustee and the Company (the "Defeasance Escrow Agreement"), pursuant to which an escrow deposit (the "Defeasance Escrow Deposit") will be made with the Prior Trustee, in an amount sufficient to enable the Prior Trustee to (A) defease the Prior Bonds in full and (B) redeem the Prior Bonds in full; and

WHEREAS, the Holder will furnish to the Issuer a letter (the "Investment Letter") certifying that the Holder is an institutional investor which is purchasing the Bond for the purpose of investment and not with a view to, or for resale in connection with, any distribution of the Bond or any part thereof; and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Issuer will (1) execute an arbitrage certificate dated the date of delivery of the Bond (the "Arbitrage Certificate") relating to certain requirements set forth in Section 148 of the Code relating to the Bond, (2) execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Bond (the "Information Return") pursuant to Section 149(e) of the Code, and (3) file the Information Return with the Internal Revenue Service, (B) the Company will execute a tax regulatory agreement dated the date of delivery of the Bond (the "Tax Regulatory Agreement") relating to the requirements in Sections 145 through 150 of the Code relating to the Bond, and (C) the Holder as initial purchaser of the Bond will execute a letter (the "Issue Price Letter") confirming the issue price of the Bond for purposes of Section 148 of the Code; and

WHEREAS, the Holder, in consideration of, among other things, the express promises of the Company set forth in Section 204 hereof, has agreed to make a loan to the Issuer in the principal amount of \$9,675,000 for the purpose of assisting in the financing of the undertaking of the Project and to purchase the Bond in the principal amount of \$9,675,000 evidencing the Issuer's obligation to pay such principal amount, and the Issuer has agreed to issue, execute and deliver the Bond, all pursuant to the terms of this Bond Purchase Agreement; and

WHEREAS, the Bond is to be in substantially the form thereof attached hereto as Schedule I and made a part hereof, with necessary and appropriate variations, omissions and insertions as permitted or required by this Bond Purchase Agreement; and

WHEREAS, the Holder, the Company and the Issuer have agreed that the Disbursing Agent shall make all disbursements of the proceeds of the Bond hereunder to the Company or on its order, on the terms set forth in Article IV hereof; and

WHEREAS, the Issuer and the Company have entered into the Loan Agreement specifying the terms and conditions pursuant to which, among other things, the Company has agreed to cause the undertaking of the Project, and to which Loan Agreement reference may be made by any interested person for the terms and conditions thereof and the obligations of the parties thereto; and

WHEREAS, all things necessary to constitute this Bond Purchase Agreement a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Bond Purchase Agreement have in all respects been duly authorized by the Issuer, the Company, the Holder and the Disbursing Agent; and

WHEREAS, the execution and delivery of this Bond Purchase Agreement and the issuance of the Bond by the Issuer have been in all respects approved and duly and validly authorized by the Bond Resolution; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PURCHASE OF THE BOND BY THE HOLDER AND THE MAKING OF DISBURSEMENTS HEREUNDER FROM TIME TO TIME BY THE DISBURSING AGENT, AND THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS, TO WIT:

ARTICLE I

DEFINITIONS

SECTION 101. DEFINITIONS. All of the capitalized terms used in this Bond Purchase Agreement shall have the meanings assigned thereto in the Schedule of Definitions attached hereto as Appendix A and made a part hereof.

SECTION 102. INTERPRETATION. (A) In this Bond Purchase Agreement, unless the context otherwise requires:

(1) the terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Bond Purchase Agreement, refer to this Bond Purchase Agreement, and the term “heretofore” shall mean before, and the term “hereafter” shall mean after, the date of this Bond Purchase Agreement;

(2) words of masculine gender shall mean and include correlative words of the feminine and neuter genders;

(3) words importing the singular number shall mean and include the plural number, and vice versa;

(4) any headings preceding the texts of the several Articles and Sections of this Bond Purchase Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Bond Purchase Agreement nor affect its meaning, construction or effect;

(5) all references to time in this document refer to New York City time;

(6) any certificates, letters or opinions required to be given pursuant to this Bond Purchase Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Bond Purchase Agreement; and

(7) in any case where the date of maturity of interest on or principal of the Bond, or the date fixed for redemption of any portion of the Bond, shall not be a Business Day, then payment of interest or principal need not be made on such date but may be made on the next Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption or purchase, and no interest shall accrue for the period after such date.

(B) All conditions and requirements of this Bond Purchase Agreement relating to the obligations of the Disbursing Agent to disburse the proceeds of the Bond are for the sole benefit of the Holder and no other person or party (including, without limitation, any Contractor or subcontractor and materialman engaged in the construction of the Project Facility) shall have the right to rely on the satisfaction of such conditions and requirements by the Company as a condition precedent to the Disbursing Agent making any disbursement of the proceeds of the Bond, or for any other purpose.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

SECTION 201. REPRESENTATIONS OF AND WARRANTIES BY THE ISSUER. The Issuer represents and warrants to the Holder as follows:

(A) The Issuer is duly organized and validly existing as a not-for-profit corporation organized and existing under the laws of the State with full power and authority to consummate the transactions contemplated hereby.

(B) The Issuer has full power and authority to issue and sell the Bond to finance a portion of the Cost of the Project, and to loan the proceeds of the Bond to the Company, all as is provided in the Financing Documents, and to secure the Bond in the manner provided in the Mortgage and the Pledge and Assignment, and the Issuer has taken all actions and obtained all approvals required by the Enabling Act.

(C) The Issuer has duly adopted the Bond Resolution and has duly authorized the execution and delivery of the Loan Agreement and the other Financing Documents to which the Issuer is a party and the issuance and sale of the Bond, and has taken all actions necessary or appropriate to carry out the same.

(D) The Bond Proceeds shall be disbursed by the Disbursing Agent, upon satisfaction of the terms and conditions set forth herein and in the Loan Agreement, to or for the account of the Company, as agent of the Issuer.

(E) Except as set forth in the General Certificate of the Issuer executed in connection with the issuance of the Bond, there are, to the knowledge of the Issuer, no actions, suits or proceedings at law or in equity, or before or by any Governmental Authority, pending or threatened against or affecting the Issuer or the Project Facility, or involving the validity or enforceability of any Financing Document to which the Issuer is a party or the priority of the Lien thereof, and to the Issuer's knowledge, the Issuer is not in default with respect to any order, writ, judgment, decree or demand of any court or any Governmental Authority.

(F) The consummation of the transactions contemplated by the Bond Resolution and hereby and performance of the Financing Documents to which the Issuer is a party will not result in any breach of, or constitute a default under, the Enabling Act or any mortgage, deed of trust, lease, bank loan or credit agreement, order or judgment, by-laws or other instrument or document to which the Issuer is a party or by which the Issuer may be bound or affected.

(G) With the exception of the Financing Documents, the Issuer has not made any contract or arrangement of any kind the performance of which by the party thereto would give rise to a Lien on the Project Facility.

(H) The Issuer has not made and does not intend to make in connection with the Project or the sale of the Bond to the Holder any inquiry concerning the financial position or business condition of the Company. The Issuer makes no representation as to the financial position or business condition of the Company and does not represent or warrant as to any of the statements, material (financial or otherwise), representations or certifications furnished, or to be made and furnished by the Company in connection with the Project or the sale of the Bond to the Holder or the making of the disbursements hereunder or as to the correctness, completeness or accuracy of such statements.

SECTION 202. COVENANTS OF THE ISSUER WITH THE HOLDER. The Issuer covenants with the Holder as follows:

(A) The Issuer will take no action, and, to the extent of its ability to do so, will suffer no action to be taken, to terminate its existence.

(B) Except to the extent provided in Section 602 and Section 801 hereof, the Issuer will use, and will covenant with the Company in the Loan Agreement that the Company will use, the Bond Proceeds only to pay the Cost of the Project.

(C) The Issuer will take all action and do all things which it is authorized by law to take and do (1) in order to perform and observe all covenants and agreements on its part to be performed and observed under this Bond Purchase Agreement and the other Financing Documents to which the Issuer is a party and (2) in order to provide for and to assure payment of the principal of, and the premium, if any, and interest on, the Bond when due in accordance with the terms thereof.

(D) The Issuer will not, without the prior written consent of the Holder, create, assume or suffer to exist any assignment, mortgage, pledge, security interest or other lien, encumbrance or charge on (1) the Facility, other than Permitted Encumbrances, or (2) any revenues derived or to be derived from the Loan Agreement, other than the Financing Documents, or (3) the Bond Proceeds, other than the Financing Documents.

(E) The Issuer will execute, acknowledge, when appropriate, and deliver from time to time at the request of the Holder, but at the sole cost and expense of the Company, such instruments and documents as in the opinion of the Holder are reasonably necessary or desirable to carry out the intent and purpose of this Bond Purchase Agreement.

(F) The Issuer will promptly pay or cause to be paid the principal of or interest on the Bond as such payments become due, subject to the limitation contained in Section 503 of this Bond Purchase Agreement.

(G) The Issuer will not issue any other bonds payable in whole or in part from the basic loan payments payable under Section 5.1(A) of the Loan Agreement without the prior written approval of the Holder.

(H) The Issuer will promptly notify the Holder and the Company of the occurrence of any Event of Default of which it has actual knowledge.

SECTION 203. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company represents and warrants to the Holder as follows:

(A) The Company (1) is a not-for-profit corporation duly organized and validly existing and in good standing under the laws of the State of New York and is duly authorized to do business in the State, (2) is an organization described in Section 501(c)(3) of the Code that is exempt from taxation under Section 501(a) of the Code, (3) is duly licensed under and pursuant to Article 28 of the Public Health Law of the State of New York and the rules and regulations promulgated thereunder, (4) has full power and authority to execute and deliver the Financing Documents to which the Company is a party and to enter into and perform its obligations under the Financing Documents to which the Company is a party, (5) has duly authorized, executed and delivered the Financing Documents to which the Company is a party and

(6) represents and warrants that such documents constitute legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, subject to bankruptcy laws and general equitable principles.

(B) The representations and warranties contained in Section 2.2 of the Loan Agreement are true, and by this reference such representations and warranties are incorporated into this Bond Purchase Agreement.

(C) Except as set forth in the General Certificate of the Company executed in connection with the issuance of the Bond, there are no actions, suits or proceedings at law or in equity, or before or by any Governmental Authority, pending or, to the knowledge of the Company, threatened against or affecting the Company, the Mortgaged Property or the Project Facility or which may materially adversely affect the financial condition of the Company, or involving the validity or enforceability of any of the Financing Documents or the priority of the Liens thereof, and, to the Company's knowledge, neither is the Company in default with respect to any order, writ, judgment, decree or demand of any court or any Governmental Authority.

(D) Neither the execution and delivery of the Financing Documents to which the Company is a party, the consummation of the transactions contemplated thereby nor the fulfillment of or compliance with the provisions thereof will (1) result in a breach of or conflict with any term or provision in the Certificate of Incorporation or By-laws of the Company, (2) require consent under (which has not been heretofore received) or result in a breach of or default under any credit agreement, indenture, purchase agreement, mortgage, deed of trust, commitment, guaranty or other agreement or instrument to which the Company is a party or by which the Company or any Property of the Company may be bound or affected, or (3) conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction or decree of any government, governmental instrumentality or court (domestic or foreign) having jurisdiction over the Company or any of the Property of the Company.

(E) The Company is and will be the bona fide owner of both the Mortgaged Property and the Project Facility in its own right, subject only to the Permitted Encumbrances, and no party other than the Company has any beneficial or equitable right, title or interest in the either the Mortgaged Property or the Project Facility or any part thereof, with the exception of the beneficiaries of the Permitted Encumbrances.

(F) No approval or other action by any Governmental Authority is required in connection with the execution or performance by the Company of the Financing Documents to which the Company is a party.

(G) The Company has not made any contract or arrangement of any kind (which remains unpaid) the performance of which by the other party thereto would give rise to a Lien on either the Mortgaged Property or the Project Facility or any part thereof, except for the Financing Documents, Permitted Encumbrances and contracts with materialmen and subcontractors, and neither is the Company in default under the Financing Documents.

(H) There is no default under any Financing Document and no event has occurred and is continuing which with notice or the passage of time or both would constitute a default under any Financing Document.

(I) All proceeds of the Bond disbursed to or upon the order of the Company shall be used solely for paying the Cost of the Project.

(J) The Company will comply with all of the terms, conditions and provisions of the Tax Regulatory Agreement. All of the representations, certifications, statements of reasonable expectation and covenants made by the Company in the Tax Regulatory Agreement are hereby declared to be for the benefit of, among others, the Issuer and the Holder and, by this reference, are incorporated by this reference as though set forth in full herein.

SECTION 204. COVENANTS OF THE COMPANY. The Company covenants and agrees with the Holder for the benefit of the Holder and any subsequent holders from time to time of the Bond, and the Issuer, as follows:

(A) The Company will promptly notify the Issuer and the Holder of the occurrence of any Event of Default of which it has actual knowledge.

(B) The Company (1) will provide for the redemption of the Prior Bonds, and (2) will complete, or cause the completion of the Improvements, all substantially in accordance with the Plans and Specifications, if any. If applicable, the Company intends that this covenant and agreement on its part will be construed to be an express promise to make an improvement on real property for purposes of qualifying this Bond Purchase Agreement as a building loan contract as described in Sections 2(13), 13(3) and 22 of the Lien Law.

(C) On behalf of itself and the Issuer, the disbursements made by the Disbursing Agent with respect to the Building Loan (the "Building Loan Disbursements") pursuant to the terms of this Bond Purchase Agreement, and the right to receive such Building Loan Disbursements, will be held by the Company as a trust fund to be applied first for the purpose of paying the "cost of improvement" (as said quoted term is defined in Section 2(5) of the Lien Law) before using any part of the total of the same for any other purpose, it being intended by this covenant to subject all Building Loan Disbursements received hereunder by or on behalf of the Issuer and/or the Company to the trust fund provisions of Section 13 of the Lien Law, to the extent to which Section 13 of the Lien Law may be found to apply by its terms.

(D) The covenants set forth in Section 2.2 of the Loan Agreement will be observed, and such covenants are incorporated into this Bond Purchase Agreement.

(E) The Company shall not create, assume or suffer to exist any assignment, mortgage, pledge, security interest or other lien, encumbrance or charge upon its interest in either the Mortgaged Property or the Project Facility or any part thereof, other than as described herein and other than Permitted Encumbrances, nor shall it assign its interest in either the Mortgaged Property or the Project Facility or any part thereof, without the prior written approval of the Holder.

(F) Except for Permitted Encumbrances and as described herein and as permitted in the Loan Agreement and the Mortgage and the other Financing Documents, the Company will not convey or encumber its interest in either the Mortgaged Property or the Project Facility or any part thereof or interest therein nor assign this Bond Purchase Agreement or the proceeds derived from the sale of the Bond, or the proceeds of the Bond to be disbursed pursuant to the provisions of this Bond Purchase Agreement.

(G) The Company will permit the Holder and/or its representatives to enter upon the Land and inspect the Project Facility and the Equipment and to examine all detailed plans and shop drawings which are or may be kept at the site at reasonable times upon reasonable notice.

(H) The Company will cause the Improvements to be prosecuted with diligence and continuity and will complete the same substantially in accordance with the Plans and Specifications, if any, free and clear of unbonded Liens or claims for Liens for material supplied and for labor or services performed in connection with the acquisition, construction and installation of the Project Facility.

(I) The Company will indemnify the Holder and the Issuer from claims of brokers arising by reason of the execution hereof or the consummation of transactions contemplated hereby and from expenses incurred by the Holder or the Issuer in connection with any such claims (including reasonable attorneys' fees).

(J) The Company will deliver to the Holder, on demand, copies of any contracts, bills of sale, statements, receipted vouchers or agreements, under which the Company claims title to any materials, fixtures or articles constituting part of the Equipment or incorporated in the Project Facility or subject to the Lien of the Mortgage.

(K) The Company will, upon demand of the Holder, correct any structural defect in the Project Facility not previously discovered by, or called to the attention of, the Holder.

(L) The Company will, upon request of the Holder, furnish the Holder with evidence satisfactory to the Holder, showing payment of all bills and charges for which disbursements of the proceeds of the Bond have been previously made pursuant to this Bond Purchase Agreement. It shall also deliver to the Holder, upon request, such bills, receipts, invoices and other evidence as may be required by the Holder to substantiate the actual incurrence by the Company of items constituting the Cost of the Project.

(M) The Company will comply promptly with all Applicable Laws (including, without limitation, obtaining a certificate of occupancy) and will furnish the Holder, on demand, official searches made by any Governmental Authority.

(N) The Company shall not (1) be or become subject at any time to any law, regulation or list of any government agency, including without limitation, the U.S. Office of Foreign Asset Control that prohibits or limits the Holder from making any advance, loan or extension of credit to or for the benefit of the Company or from otherwise conducting business with the Company, or (2) fail to provide documentary or other evidence of the Company's identity as may be requested by the Holder at any time to enable the Holder to verify the Company's identity or to comply with any applicable law or regulation, including without limitation, Section 326 of the Patriot Act (31 U.S.C. §5318).

SECTION 205. REPRESENTATIONS AND COVENANTS OF THE HOLDER. The Holder represents to and covenants and agrees with the Issuer as follows:

(A) The Holder has had an opportunity to make such investigations and has had access to such information with respect to the Company and its affairs and condition, financial or otherwise, which the Holder has deemed necessary in connection with and as a basis for the purchase of the Bond, and any and all information relating to the Company and its affairs which the Holder has requested has been provided to the Holder.

(B) The Holder has approved this Bond Purchase Agreement, the Bond Resolution and the other Financing Documents, and such documents contain the terms agreed to by the Holder.

(C) The Holder is purchasing the Bond (1) for its own account, for the purpose of investment and not with a view to the distribution or resale thereof and (2) not for the account of others. The Holder has not offered, offered to sell, offered for sale or sold the Bond by means of any form of general solicitation or general advertising and the Holder is not an underwriter within the meaning of Section 2(11) of the Securities Act of 1933, as amended, and will not sell the Bond without registration under the Securities Laws or exemption therefrom. The Holder presently has no arrangement, written or oral, with any Person for the distribution, transfer or resale of the Bond, but reserves the right to do so upon compliance with all applicable Securities Laws.

(D) The Holder agrees to notify the Issuer and the Company in writing of any proposed transfer or resale of the Bond and to furnish to them prior to any such transfer or resale (1) except with respect to a transfer to a Financial Institution, an opinion of Independent Counsel reasonably satisfactory to the Issuer and the Holder that such transfer or resale does not and will not require registration of the Bond under the Securities Laws, and (2) except with respect to a transfer to a Financial Institution, a certificate of the purchaser of the Bond to the effect that such purchaser has been provided with all requested disclosure information by the Company. The Holder further agrees that all transfers of the Bond shall comply with Section 303 hereof and that, upon any transfer or resale of the Bond, the Holder shall assign to the transferee or purchaser of the Bond all of the Holder's rights pursuant to this Bond Purchase Agreement and the other Financing Documents, and in that connection will execute and deliver all instruments and documents necessary or appropriate therefor.

(E) The Holder understands that (1) the Bond is a special obligation of the Issuer payable solely from certain of the Loan Payments, revenues and receipts derived by the Issuer from or in connection with the Loan Agreement, (2) the Issuer has no power of taxation and (3) neither the Issuer nor any member, officer, agent (other than the Company) or employee of the Issuer has made or will make any representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Project Facility, or the suitability of the Project Facility for the Company's purposes or needs, or the extent to which the proceeds derived from the sale of the Bond will be sufficient to pay the cost of undertaking or completing the Project.

(F) The Holder has received from the Company and not the Issuer whatever information requested with respect to the Company and the Project Facility which the Holder deems, as a reasonable investor, important in reaching its investment decision to purchase the Bond. The Holder acknowledges that neither the Issuer nor its counsel nor Bond Counsel have made any investigation or inquiry with respect to the affairs or condition, financial or otherwise, of the Company or the Project and that the Issuer and its counsel do not make any representation to the Holder with respect to the adequacy, sufficiency or accuracy of any financial statements or other information provided to the Holder by the Company, or with respect to the ability of the Company to pay the Bond or fulfill their respective obligations with respect to the transactions contemplated in connection therewith. The Holder is not relying on any statements or representations by the Issuer with respect to (1) the financial condition of the Company, (2) the creditworthiness of the Company, (3) the competence or integrity of the management of the Company, or (4) the suitability of the Project Facility for the Company's business. The Holder has made an independent evaluation of the factors listed above without reliance upon any evaluation or investigation by the Issuer as to any of them.

(G) The Holder has made its own independent investigation and evaluation of the financial position and business condition of the Company, or has caused such investigation and evaluation of the Company to be made by Persons it deemed competent to do so, and the Holder hereby expressly waives the right to receive such information from the Issuer and relieves the Issuer and any officer, member, agent (other than the Company) or employee thereof of any liability for failure to provide such

information or for the inclusion in any of the documents, representations or certifications to be provided by the Company to the Holder in connection with the Bond of any untrue fact or for the failure to include therein any fact.

(H) The Holder has not relied upon the determination of the Issuer to issue its tax-exempt revenue bond to finance the Project Facility for any purpose in connection with its evaluation of the financial condition, creditworthiness or competence of the Company, or of the integrity of the management of the Company, or of the suitability of the Project Facility for the Company's business.

ARTICLE III

PURCHASE AND SALE OF THE BOND

SECTION 301. CLOSING DATE. Upon satisfaction of the conditions set forth in Section 302 hereof, the Holder will purchase the Bond from the Issuer, and the Issuer will sell the Bond to the Holder, on the Closing Date, which shall be on or before September 14, 2017 or such other date as shall be agreed to by the parties hereto. The purchase price for the Bond shall be the principal face amount of the Bond.

SECTION 302. CONDITIONS PRECEDENT TO THE CLOSING. The Holder shall not be obligated hereunder to purchase the Bond unless the following conditions shall have been satisfied or waived by the Holder:

(A) The Holder shall have received (and approved as appropriate):

(1) any portion of the \$48,375 commitment fee due to the Holder pursuant to the Holder Commitment on the Closing Date and the fees of Holder's counsel payable on the Closing Date, together with any other costs incurred by the Holder prior to the Closing Date;

(2) the executed Bond and executed counterparts of all of the Financing Documents;

(3) the certificates and policies, if available, or proof of the insurance required by the Loan Agreement and the Holder Commitment, accompanied by evidence of the payment of the premiums therefor;

(4) an opinion of counsel to the Issuer in form and substance satisfactory to the Holder and its counsel;

(5) an opinion of Bond Counsel in form and substance satisfactory to the Holder and its counsel;

(6) an opinion of counsel to the Company in form and substance satisfactory to the Holder and its counsel;

(7) UCC-1 financing statements or comparable security instruments to evidence or perfect the security interests created or purported to be created by the Financing Documents;

(8) a certificate of one or more officers of Issuer and such other proof as the Holder shall require to establish the truth of the representations and warranties set forth in Section 201 hereof;

(9) a certificate of one or more officers of the Company and such other proof as the Holder shall require to establish the truth of the representations set forth in Section 203 hereof;

(10) a paid title insurance policy in form and substance satisfactory to the Holder and its counsel, in an amount equal to the principal amount of the Bond, insuring the Mortgage to be a valid first priority Lien on the Project Facility, free and clear of all defects and encumbrances except Permitted Encumbrances and such other defects and encumbrances as Holder and its counsel shall approve;

(11) evidence that the Project Facility is not located in an area that has been identified by the Secretary of Housing and Urban Development as having special flood hazards, or that the Company has obtained the flood hazard insurance required by the National Flood Insurance Act of 1968, as amended by Flood Disaster Protection Act of 1973 (42 U.S.C. 4013, et seq.);

(12) evidence satisfactory to the Holder that the reconstruction, renovation, installation and occupancy of the Project Facility shall comply with all Applicable Laws;

(13) a Request for Disbursement relating to the initial disbursement of proceeds of the Bond, with accompanying supporting schedules in a form and content satisfactory to the Holder;

(14) a current standard detail survey of the Land, certified to the Issuer, the Holder and the Title Insurer or, if acceptable to the Holder and the Title Insurer, the existing survey of the Land and existing improvements together with an affidavit of no change executed by an Authorized Representative of the Company and addressed to the Holder and the Title Insurer;

(15) evidence satisfactory to the Holder that the Company has sufficient funds with which to complete the reconstruction and renovation of the Facility and the acquisition and installation of the Equipment;

(16) a current environmental survey of the Land and Facility, in form and content acceptable to the Holder, prepared by an environmental consultant acceptable to the Holder; and

(17) such other or further documents, data or information with respect to the Company, the Project Facility as the Holder or its counsel may reasonably request or as set forth in the Holder Commitment.

(B) The Holder and its counsel shall have received (and approved as appropriate) or waived its right to receive:

(1) a certified copy of the Certificate of Reincorporation of the Issuer and all amendments thereof, filed with the New York State Department of State, Miscellaneous Records Unit, together with certified copies of the certificates of appointment of all the present members of the Issuer;

(2) a copy of the by-laws of the Issuer, certified by the Secretary (or Assistant Secretary) of the Issuer;

(3) a certified copy of the Sponsor Resolution;

(4) a copy of the Bond Resolution, certified by the Secretary (or Assistant Secretary) of the Issuer;

(5) a certified copy of the Certificate of Incorporation and the By-laws of the Company, and certificates of good standing relating to the Company;

(6) a resolution (or unanimous written consent) of the board of directors of the Company approving and authorizing the execution and delivery of the Financing Documents to which the Company is a party;

(7) evidence satisfactory to the Holder that the zoning of the Land permits the use and operation of the Project Facility as proposed;

(8) copies of all authorizations, certificates and permits, if any, required by any Governmental Authority for the reconstruction, renovation, installation and/or operation of the Project Facility which in the opinion of the Holder's counsel must be obtained from all Governmental Authorities, and which are presently procurable, including any authorizations required with respect to applicable environmental protection regulations and/or laws which are presently procurable;

(9) a current title report from the Title Insurer which shall set forth a description of the Land and shall have attached thereto copies of all instruments which appear as exceptions in the report and shall state the status of the title to abutting streets and roads and provides for insurance of ingress and egress to public rights of way;

(10) an original current survey certified to the Holder, the Holder's counsel, the Issuer and the Title Insurer, and showing the Land and all improvements thereon and easements, rights-of-way, adjoining sites and encroachments (and the extent thereof) affecting the Land or, if acceptable to the Holder and the Title Insurer, the existing survey of the Land and existing improvements together with an affidavit of not change executed by an Authorized Representative of the Company and addressed to the Holder and the Title Insurer;

(11) satisfactory evidence that (a) all real estate taxes, assessments and water and sewer charges levied or assessed against the Land and/or the Project Facility have been paid in full, and (b) there is not then pending by or against the Company, any petition for reorganization or arrangement under any bankruptcy or insolvency law, or any other action brought under such laws; and

(12) such other or further documents, data or information with respect to the Company or the Project Facility as the Holder or its counsel may reasonably request or as set forth in the Holder Commitment.

SECTION 303. REGISTERED BOND. (A) The Bond shall be in fully registered form and shall be payable in accordance with the provisions of the Bond to the registered owner thereof as shown on the records maintained by the Issuer for the registration and transfer of the Bond. Pursuant to Article VII of this Bond Purchase Agreement, the Holder is hereby designated and agrees to act as Bond Registrar with respect to the Bond.

(B) So long as the Bond shall remain unpaid, the Bond Registrar shall maintain and keep, on behalf of the Issuer, at the office of the Bond Registrar, a bond register for the registration and transfer of the Bond; and upon presentation thereof for such purpose at such office, the Bond Registrar shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as the Bond Registrar or the Issuer may prescribe, any Bond entitled to registration or transfer. So long as the Bond shall remain unpaid, the Issuer shall make all necessary provision to permit the exchange of the Bond at the office of the Bond Registrar.

(C) The Bond shall be transferable only upon the books of the Issuer, which shall be kept for that purpose at the office of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer

satisfactory to the Bond Registrar duly executed by the registered owner or his attorney duly authorized in writing. Upon the transfer of any Bond, the Issuer shall issue in the name of the transferee a new Bond of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond.

(D) The Issuer and the Company may deem and treat the Person in whose name any unpaid Bond shall be registered upon the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for all purposes, and neither the Issuer nor the Company shall be affected by any notice to the contrary. The term "Bond" shall include a Bond issued by the Issuer in exchange for or upon transfer of any Bond under this Section 303.

SECTION 304. LOSS, THEFT, DESTRUCTION OR MUTILATION OF THE BOND. (A) In the event that the Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and deliver a new Bond of like maturity, interest rate and principal amount, bearing the same number, if any, as the mutilated, destroyed, lost or stolen Bond and bearing a notation indicating the principal amount outstanding, in exchange for the mutilated Bond, or in substitution for the Bond so destroyed, lost or stolen. Such new Bond may bear on its face a notation to the effect that it has been issued in order to replace a lost, stolen or destroyed Bond.

(B) In every case of exchange or substitution, the applicant shall furnish to the Issuer (1) such security or indemnity as may be required by the Issuer to save the Issuer and its directors, officers, agents, servants and employees harmless from all risks, however, remote, reasonably related to such exchange or substitution and (2) evidence to the reasonable satisfaction of the Issuer of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof. Upon the issuance of a new Bond upon such exchange or substitution, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees, of the Issuer.

(C) In case the Bond is about to mature and shall become mutilated or be destroyed, lost or stolen, the Issuer may, instead of issuing a new Bond in exchange or substitution therefor, pay or authorize the payment of same (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Issuer (1) such security or indemnity as the Issuer may require to save the Issuer, and its directors, officers, agents, servants and employees, harmless from all risks, however remote, and (2) evidence reasonably satisfactory to the Issuer of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof.

SECTION 305. SPECIFIC DETAILS OF THE BOND. (A) The Bond shall be issued in the original principal amount of \$9,675,000, shall be designated "Town of Amherst Development Corporation Tax-Exempt Revenue Bond (Beechwood Health Care Center, Inc. Project), Series 2017". The Bond shall be in substantially the form set forth in Schedule I to this Bond Purchase Agreement, with such variations, omissions and insertions as are permitted or required by this Bond Purchase Agreement. The Bond shall be dated the Closing Date and shall mature on January 1, 2040. The Bond shall bear interest from the Closing Date. The Bond shall be issued as a fully registered bond without coupons, registered in the name of the Holder. The Bond shall be prefixed "2017R" and numbered "1". The Bond shall bear interest at the Bond Rate, payable on each Bond Payment Date.

(B) Principal and interest on the Bond shall be payable as follows:

(1) Interest on the unpaid Principal Balance of the Bond shall accrue at a rate equal to the Bond Rate for the period commencing on the Closing Date of the Bond and ending on the date that the Bond is paid in full.

(2) Commencing on October 2, 2017 and continuing on the first Business Day of each month thereafter until the Bond shall be paid in full, monthly payments of principal plus interest payments shall be made on the Bond, in an amount sufficient to fully amortize at the Bond Rate the outstanding Principal Balance due on the Bond over a term ending on the Maturity Date and as more particularly set forth on Schedule A attached to the Bond. Upon any change in the Bond Rate and/or in the outstanding principal balance of the Bond, the Holder shall inform the Company of the change in the monthly payments to be due on the Bond, based upon either such change in the Bond Rate and/or upon such change in the outstanding principal balance of the Bond on such date. Such payments shall be applied first to the payment of unpaid interest due on the Bond and then to the payment of the unpaid Principal Balance of the Bond.

(3) Notwithstanding anything herein to the contrary, on the Maturity Date of the Bond, an amount equal to the entire unpaid Principal Balance of the Bond, together with any accrued but unpaid interest thereon and any and all other sums and amounts due and owing to the Holder pursuant to any of the Financing Documents, shall become due and payable on the Bond.

(C) The Bond is subject to optional and mandatory redemption, and mandatory tender and purchase prior to maturity as provided in Section 502 of this Bond Purchase Agreement.

ARTICLE IV

BOND PROCEEDS AND APPLICATION THEREOF; DISBURSEMENTS OF BOND PROCEEDS

SECTION 401. APPLICATION OF BOND PROCEEDS. Upon the receipt of the proceeds of the sale of the Bond, the Issuer shall pay such proceeds to the Disbursing Agent for deposit in the Project Fund. The Disbursing Agent shall hold the proceeds of the Bond in trust for the Issuer until disbursed as hereinafter provided to pay the Cost of the Project.

SECTION 402. ESTABLISHMENT OF FUNDS. (A) The Holder hereby establishes and creates the following special trust fund on behalf of the Issuer: Town of Amherst Development Corporation (Beechwood Health Care Center, Inc. Project) - Project Fund (the "Project Fund").

(B) The funds and accounts created under this Bond Purchase Agreement shall be maintained by the Disbursing Agent and shall be held in the custody of the Disbursing Agent. The Issuer authorizes and directs the Disbursing Agent to disburse moneys from said funds and accounts for the purposes specified herein, which authorization and direction the Disbursing Agent hereby accepts. All moneys required to be deposited with or paid to the Disbursing Agent under any section of this Bond Purchase Agreement shall be held by the Disbursing Agent on behalf of the Issuer, subject to the Lien of the Mortgage and as security for the Bond (except for moneys held by the Disbursing Agent in the Rebate Fund). Moneys held in the Rebate Fund shall not be subject to a security interest, pledge, assignment, Lien or charge in favor of the Holder or any other Person.

SECTION 403. PROJECT FUND; REQUESTS FOR DISBURSEMENT. (A) In accordance with Section 401 of this Bond Purchase Agreement, the Issuer is to pay the entire proceeds of the Bond to the Disbursing Agent for deposit in the Project Fund. The Disbursing Agent is hereby authorized and directed as follows:

(1) To pay to the Prior Trustee from moneys on deposit in the Project Fund an amount equal to the Defeasance Cash Deposit relating to the Prior Bonds. Pursuant to the provisions of the Defeasance Escrow Agreement, the Defeasance Cash Deposit relating to the Prior Bonds shall become part of the Defeasance Escrow Deposit relating to the Prior Bonds, and the Defeasance Escrow Deposit relating to the Prior Bonds shall be held by the Prior Trustee pursuant to the Defeasance Escrow Agreement and applied to pay debt service coming due on the Prior Bonds and to redeem the Prior Bonds on the earliest possible optional redemption date relating to the Prior Bonds following the date of issuance of the Bond.

(2) To disburse the balance of the moneys in the Project Fund in accordance with the applicable provisions of this Bond Purchase Agreement and the Loan Agreement, upon receipt by the Disbursing Agent of a Request for Disbursement, in substantially the form attached hereto as Exhibit C, certified to by an Authorized Representative of the Company and approved by the Holder. The Disbursing Agent shall have no obligation whatsoever to independently verify any of the information on any Request for Disbursement and shall not be responsible for any disbursement made in accordance with this Section 403.

(B) Each Request for Disbursement shall be in writing and shall be submitted by the Company to the Disbursing Agent at its office at M&T Center, One Fountain Plaza, 12th Floor, Buffalo, New York 14203, or at such other place as may be designated by the Disbursing Agent. Each Request for

Disbursement shall be in form reasonably satisfactory to the Disbursing Agent, shall be certified by an Authorized Representative of the Company and shall state to the reasonable satisfaction of the Disbursing Agent:

- (1) the name(s) and address(es) of the Person(s) to whom payment is to be made;
- (2) the amount of each payment;
- (3) the description of the purpose for which the requested disbursements from the Project Fund are to be made;
- (4) that the disbursement is a proper expenditure of moneys in the Project Fund under Section 4.3 of the Loan Agreement;
- (5) that, with respect to the item(s) for which payment is to be made, the Authorized Representative of the Company has no knowledge of any Lien which should be satisfied or discharged before the payment as requested is made;
- (6) that no item(s) for which payment is to be made has (have) been the basis for any prior disbursement from the Project Fund (requests for disbursement of retainage amounts under any contract relating to the construction of the Facility shall not be deemed made for an item which has been the basis of a prior disbursement by virtue of requests for disbursement of amounts covering the cost of such construction, less the retainage amounts);
- (7) that all of the conditions precedent to such disbursement set forth in the Bond Purchase Agreement and the Loan Agreement have been satisfied or have been waived in writing by the Holder;
- (8) that, as of the date of the Request for Disbursement, the representations and covenants made in Section 2.2 of the Loan Agreement are true and accurate, and that, to the best of the Company's knowledge, there is no Event of Default under any of the Financing Documents, nor any event, condition or act that, with the passage of time or the giving of notice or both, would ripen into such an Event of Default;
- (9) that the Facility has not been materially injured or damaged by fire or other casualty;
- (10) that all sums due workmen and materialmen have been paid or will be paid from the proceeds of the disbursement (or specifying the amounts being disputed in good faith); and
- (11) the payment of the amount requested hereby is, to the best of the Company's knowledge, consistent in all material aspects with the Tax Documents.

Requests for Disbursements for construction items shall be accompanied by such documents, including, without limitation, invoices, bills or other proof to substantiate the amount requested, reasonably acceptable to the Issuer and the Holder substantiating the amount requested, accompanied by a certificate executed by the Company indicating that the work has been done substantially in accordance with approved Plans and Specifications, if any, and in a good and workmanlike manner. In no event shall any disbursement from the Project Fund prior to the Final Disbursement include retainage under any construction Contract, unless otherwise agreed by the Holder.

(C) Notwithstanding anything to the contrary contained in this Section 403, the Disbursing Agent, in its sole discretion, may delay disbursing moneys from the Project Fund relating to construction items until the Disbursing Agent shall first have requested and obtained releases of Liens from any general contractor, subcontractors and materialmen to the extent that any such Persons were to receive moneys from all preceding disbursements.

(D) The Disbursing Agent may, but shall not be obligated to, make disbursements of the Bond Proceeds more frequently than once each thirty (30) days and shall not be required to make disbursements of the Bond Proceeds for costs incurred by the Company with respect to materials stored on or off the Land unless the Holder shall, in its sole discretion, deem it advisable to do so.

(E) Moneys on deposit in the Project Fund may be invested in Authorized Investments in accordance with Section 411 hereof. All interest and other income accrued and earned on amounts held in the Project Fund shall be deposited by the Trustee into the Project Fund and may be used to pay the Cost of the Project.

(F) (1) Except for any amount retained for the payment of incurred and unpaid items of the Cost of the Project, after the Final Disbursement, all moneys in the Project Fund (in excess of any Rebate Amount) shall be applied as soon as possible to the redemption of Bond.

(2) In the event the unpaid principal amount of the Bond shall be accelerated upon the occurrence of an Event of Default, the balance in the Project Fund (in excess of any Rebate Amount) shall be as soon as possible and shall be used to pay the principal of, premium, if any, on and interest on the Bond.

(G) The Disbursing Agent shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall, upon reasonable request of the Issuer or the Company and within sixty (60) days after the Final Disbursement, file an accounting thereof with the Issuer, the Company and the Holder.

(H) If required by the Holder, the Company shall deposit the Net Proceeds of any insurance settlement or condemnation award into the Project Fund. Such Net Proceeds shall be disbursed in accordance with paragraph (B) above. Any amounts remaining after the completion of restoration or rebuilding shall be applied to prepay the Bond.

SECTION 404. CONDITIONS TO THE INITIAL DISBURSEMENT FROM THE PROJECT FUND. The Company and the Disbursing Agent have agreed that the moneys held in the Project Fund shall be disbursed in monthly disbursements or more frequently if requested by the Company and agreed to by the Disbursing Agent within its sole discretion. The Disbursing Agent shall not be obligated to make any disbursement until the conditions set forth in Section 403 hereof and the following further conditions shall have been satisfied, except to the extent waived by the Holder in its sole discretion:

(A) As of the date of the disbursement, the representations and warranties of the Company made in Article II hereof shall be true and correct, there shall be no Event of Default under any of the Financing Documents and there shall be no event that with the passage of time or the giving of notice or both would ripen into an Event of Default;

(B) The Facility shall not have been materially injured or damaged by fire or other casualty, unless the Holder shall have received insurance proceeds sufficient, in the reasonable judgment of the Holder, to effect the satisfactory restoration of the Facility and to permit the completion thereof;

(C) The Holder shall have received:

(1) a Request for Disbursement, accompanied by such items as are required by Section 403(B) of this Bond Purchase Agreement;

(2) proof that, as of the date of the disbursement, a search of the public records by an abstract or title company satisfactory to the Holder discloses no unbonded vendors', mechanics' or other Liens, judgments, conditional sales contracts, chattel mortgages, leases of personalty, financing statements or title retention agreements filed and/or recorded against the Company or the Project Facility, other than Permitted Encumbrances;

(3) if required in writing by Holder, Plans and Specifications in a form satisfactory to it;

(4) all authorizations, certificates and permits, if any, which, in the opinion of counsel to the Holder, are required by any Governmental Authority for the construction, installation and operation of the Project Facility as and which are currently procurable, including any authorizations required with respect to applicable environmental protection regulations and laws which are currently procurable;

(5) the Title Insurer insures that the Company is the owner of record of the Land, subject to no exceptions except those approved by the Holder and Holder's counsel, and that the Mortgage is a first Lien on the Land for all amounts disbursed from the Project Fund, including the amount to be disbursed pursuant to the Request for Disbursement under consideration; and

(6) such other or further documents, data or information with respect to the Company or the Project Facility as the Holder may reasonably request.

SECTION 405. CONDITIONS TO DISBURSEMENTS AFTER THE INITIAL DISBURSEMENT. The Disbursing Agent's obligation to make any disbursement from the Project Fund after the initial disbursement therefrom shall be subject to satisfaction of the following conditions, except to the extent waived by the Holder in its sole discretion:

(A) The conditions specified in subparagraphs (1), (2), (6) and (7) of paragraph (C) of Section 404 hereof shall be satisfied as of the date of each disbursement after the first disbursement.

(B) The Disbursing Agent shall have received the following:

(1) a certificate signed by an Authorized Representative of the Company that all suppliers and materialmen have been paid or payment has been provided for through the date of the disbursement (or that payment is being disputed in good faith); and

(2) an executed Lien waiver from any general contractor, subcontractors and materialmen as to all amounts previously disbursed.

(C) In the case of the final disbursement from the Project Fund, the Disbursing Agent shall have received, in addition to the items described in paragraph (A) above, the following:

(1) evidence of the approval by the appropriate Governmental Authority relating to the Project Facility in its entirety for permanent occupancy to the extent any such approval is a condition of the lawful use and occupancy of the Project Facility for its intended purposes, including the approval of any local Board of Fire Underwriters or the equivalent thereof, and evidence that no notice of any violation has been filed of record with any Governmental Authority;

(2) certification from the Company that the Project Facility has been completed in a good and workmanlike manner;

(3) a final Lien waiver executed by any general contractor, subcontractors and materialmen, or evidence as to when any such Lien filed will cease to be a Lien on the Project Facility;

(4) a final survey showing the complete Project Facility certified to the Holder and the Title Insurer;

(5) a final Title Policy update;

(6) the determination of the Rebate Amount calculated as of the date of the Final Disbursement in accordance with the Tax Regulatory Agreement; and

(7) such other or further documents, data or information with respect to the Company or the Project Facility as the Disbursing Agent may reasonably request.

(D) In the event that the Company shall be unable to comply with the conditions set forth in Section 405(C) hereof, any amounts remaining in the Project Fund may, at the Holder's option, be applied to the prepayment of the Bond as provided in Section 5.3 of the Loan Agreement and Section 502(A)(1) of this Bond Purchase Agreement.

SECTION 406. ACCESS TO PROJECT FACILITY BY THE HOLDER. The Holder and its agents shall, at all times during the undertaking of the Project, have the right of entry and free access to the Project Facility to inspect all work done, labor performed and materials furnished and to inspect all books and records of the Issuer and the Company in connection with the Loan evidenced by the Bond at reasonable times upon reasonable notice.

SECTION 407. EFFECT OF INSPECTIONS AND DISBURSEMENTS. The Holder shall have no obligations or liability whatsoever with respect to the undertaking of the Project other than to purchase the Bond in the manner as herein provided. Although the Holder has the right under this Bond Purchase Agreement to inspect or examine the Project Facility from time to time, and although various matters relating to the Project Facility have been previously approved by the Holder or are subject to the Holder's approval, such inspection and approval rights are for the Holder's internal uses and purposes only and are not exercised or intended to be exercised for the protection or benefit of the Company or the Issuer. No action taken or inaction by the Holder, and no approval given by the Holder with respect to the construction of or any other manner related to the Project Facility shall be construed to be, or relied on in any as to the quality or acceptability of the matter or thing inspected or approved by the Holder.

SECTION 408. DISBURSEMENTS UPON EVENTS OF DEFAULT. In the event of the occurrence of any Event of Default hereunder, the Holder shall have the right, but not the obligation, to require that the Disbursing Agent disburse proceeds of the Bond from the Project Fund directly to any architects, contractors, subcontractors, mechanics, materialmen, laborers or suppliers against requisitions for payment under any agreements, contracts or subcontracts, as the case may be, and the execution and delivery of this Bond Purchase Agreement by the Company shall and does hereby constitute an irrevocable direction and authorization to the Holder to require that the Disbursing Agent make such disbursements.

SECTION 409. RESERVED.

SECTION 410. RESERVED.

SECTION 411. INVESTMENT OF MONEYS IN FUNDS. (A) Any moneys in the funds established pursuant to Section 402 hereof not required for immediate use or disbursement shall be invested and reinvested by the Disbursing Agent in Authorized Investments, as the Company shall direct in writing, or orally, if promptly confirmed in writing, except that the Disbursing Agent need not make an investment which would, in its opinion, result in insufficient uninvested funds being available to meet anticipated requests for disbursement. In making any such investment, the Disbursing Agent may rely conclusively on the written directions of the Company delivered to it pursuant to this Section 411 and the Disbursing Agent shall be relieved of all liability with respect to the making of such investments in accordance with such directions. In the absence of such direction, the Disbursing Agent shall have no duty to invest such moneys and shall not be liable for interest thereon.

(B) Investments made pursuant to this Section 411 with respect to a fund shall mature in such amounts and have maturity dates or be subject to redemption at the option of the holder thereof on or prior to the dates on which the moneys invested therein will be needed for the purposes of such fund. The Disbursing Agent may at any time sell or otherwise reduce to cash a sufficient amount of such investments whenever the cash balance in the fund from which the moneys to acquire such investment was taken is insufficient in the sole reasonable judgment of the Disbursing Agent for the purposes thereof. Any such investments shall be held by or under control of the Disbursing Agent and shall be deemed at all times a part of the fund from which the moneys to acquire such investment was taken, and the interest accruing thereon and any profit realized from such investments shall be credited to and held in, and any loss shall be charged to, such fund.

(C) Neither the Disbursing Agent nor the Issuer nor their respective members, directors, officers, agents, servants or employees shall be liable for any depreciation in the value of any investments made pursuant to this Section 411 or for any loss arising from any such investment, except, in the case of the Disbursing Agent, as a result of its willful misconduct or gross negligence.

SECTION 412. LIEN ON FUNDS. The Issuer and the Company hereby assign and grant to the Holder a Lien upon and security interest in the Project Fund and any other fund or account established pursuant to Section 402 hereof and all investments made pursuant to Section 411 hereof as security for the payment of the principal of, premium, if any, and interest on the Bond and all sums payable pursuant to this Bond Purchase Agreement.

ARTICLE V

REPAYMENT BY ISSUER

SECTION 501. PAYMENT OF PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. (A) The Issuer shall pay the principal of, and the premium, if any, and interest on, the Bond in accordance with the provisions thereof, but solely to the extent provided in Section 503 hereof.

(B) In the event any payment related to the Bond or of principal or interest due on this Bond shall not be received by the Holder on or before the Bond Payment Date, the Issuer shall pay the Holder a late payment charge in an amount equal to five percent (5%) of any such overdue payment.

SECTION 502. PREPAYMENT AND MANDATORY TENDER OF THE BOND. (A) The Bond is subject to prepayment prior to maturity as follows:

(1) The Bond may be prepaid at any time prior to maturity in whole or in part at the option of either the Issuer or the Company upon the direction of the Company with fifteen (15) days' notice to the Holder at a prepayment price equal to one hundred percent (100%) of the principal amount so prepaid, plus accrued interest to the date of such prepayment.

(2) The Bond shall also be subject to mandatory prepayment, in whole, at the option of the Holder, at a prepayment price equal to one hundred percent (100%) of the outstanding Principal Balance of the Bond, together with accrued interest to the date of prepayment, upon the occurrence of an Event of Taxability or an Event of Default.

(3) If (i) the Company prepays, in whole or in part, any principal amount, when the Bond Rate based upon LIBOR is in effect (other than on a Bond Payment Date), or (ii) the Bond Rate is converted to be based upon the National Prime Rate on any day other than a Bond Payment Date, then the Company shall also be liable for and shall pay the Holder, on demand, the higher of \$250.00 or the actual amount of the liabilities, expenses, costs or funding losses that are a direct or indirect result of such prepayment or other condition described above, whether such liability, expense, cost or loss is by reason of (a) any reduction in yield, by reason of the liquidation or reemployment of any deposit or other funds acquired by the Holder, (b) the fixing of the interest rate payable on any LIBOR-based loan or (c) otherwise (collectively, the "Breakage Fee"). The determination by the Holder of the foregoing amount shall, in the absence of manifest error, be conclusive and binding upon the Issuer and the Company.

(B) The Bond is subject to automatic mandatory tender and purchase on the Bank Purchase Tender Date without notice or demand by the Holder as follows:

(1) The purchase price shall be 100% of the outstanding principal amount of the Bond plus accrued interest to the Bank Purchase Tender Date together with any and all other sums and amounts due and payable to the Holder under the Financing Documents.

(2) The Holder will deliver the Bond (with an appropriate transfer of registration form executed in blank) at the designated corporate office of the Disbursing Agent at or before 10:00 o'clock a.m., New York time, on the Bank Purchase Tender Date.

(3) Notwithstanding the foregoing, the Company may, at its sole option, request that the Holder extend the Bank Purchase Tender Date by giving written notice to the Issuer and the Holder not less than one hundred fifty (150) days prior to the Bank Purchase Tender Date then in effect. In such event, the Holder may, at its sole option and in its sole discretion, by giving written notice to the Company and the Issuer (the "Holder's Notice") no later than one hundred and twenty (120) days prior to the Bank Purchase Tender Date then in effect, offer to extend the Bank Purchase Tender Date, which notice from the Holder shall specify (i) the date to which the Holder proposes to extend the Bank Purchase Tender Date, and (ii) the new Bond Rate the Holder proposes to take effect on and after the Bank Purchase Tender Date then in effect. If the Company gives written notice to the Issuer and the Holder no later than ninety (90) days prior to the Bank Purchase Tender Date then in effect that it elects to accept the Holder's offer to extend the Bank Purchase Tender Date on the terms set forth in the Holder's Notice, the extended Bank Purchase Tender Date and the new Bond Rate, as set forth in the Holder's Notice, shall take effect on the Bank Purchase Tender Date then in effect provided that there shall be delivered to the Issuer, the Company and the Holder prior to the Bank Purchase Tender Date then in effect an opinion of Bond Counsel in form and substance satisfactory to the Holder to the effect that the extension of the Bank Purchase Tender Date and/or the adoption of the new Bond Rate will not adversely affect the exclusion of interest on the Bond from gross income for federal income tax purposes. In the event (x) the Company requests that the Holder extend the Bank Purchase Tender Date as hereinbefore set forth in this paragraph (B)(3) and (i) the Holder fails or refuses to give the Holder's Notice as hereinbefore set forth in this paragraph (B)(3), or (ii) the Company fails or refuses to accept the Holder's offer set forth in the Holder's Notice as hereinbefore set forth in this paragraph (B)(3), or (y) the opinion of Bond Counsel hereinbefore set forth in this paragraph (B)(3) is not delivered to the Holder prior to the Bank Purchase Tender Date then in effect, then, in any such event, the Bond shall be subject to automatic mandatory tender and purchase on the Bank Purchase Tender Date then in effect without further notice or demand by the Holder as hereinbefore set forth and the provisions of paragraphs (B)(1) and (2) of this Section 502 shall be applicable and remain in full force and effect.

SECTION 503. SPECIAL OBLIGATIONS. (A) The Bond, together with interest thereon and the obligations of the Issuer contained in this Bond Purchase Agreement and in the other Financing Documents, shall constitute a special obligation of the Issuer, and the principal of, and the premium, if any, and interest on, the Bond and all other charges payable by the Issuer pursuant to this Bond Purchase Agreement and such other Financing Documents shall be payable solely from the revenues of the Issuer derived and to be derived from the Loan Agreement (except for revenues derived and to be derived in connection with the Unassigned Rights), and any sale or other disposition of the Project Facility.

(B) NEITHER THE MEMBERS, OFFICERS, AGENTS (OTHER THAN THE COMPANY), SERVANTS OR EMPLOYEES OF THE ISSUER, NOR ANY PERSON EXECUTING THE BOND, SHALL BE LIABLE PERSONALLY THEREON OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE, SALE OR DELIVERY THEREOF OR BE LIABLE PERSONALLY HEREON OR THEREON OR SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BASED HEREON OR THEREON. THE BOND, AND THE PREMIUM, IF ANY, AND INTEREST THEREON, ARE NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, A DEBT OF THE STATE OF NEW YORK, THE TOWN OF AMHERST, NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE STATE OF NEW YORK, THE TOWN OF AMHERST, NEW YORK NOR ANY SUCH POLITICAL SUBDIVISION SHALL BE LIABLE THEREON.

(C) All payments made by or on behalf of the Company to the Holder or to its successors or assigns as holder of the Bond, or upon its or their order, pursuant to this Bond Purchase Agreement or any other Financing Document or any other security for the Bond shall, to the extent of the sum or sums so paid, satisfy and discharge the liability of the Issuer for monies payable upon the Bond or pursuant to this Bond Purchase Agreement and the other Financing Documents, as the case may be. The Holder agrees, within ten (10) days after the receipt of a request for same, to give the Issuer and the Company a written statement of the then current unpaid principal balance of the Bond.

SECTION 504. DEFEASANCE. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, the Indebtedness, then this Bond Purchase Agreement and all covenants, agreements and other obligations of the Issuer hereunder, and the liens and security interests created by this Bond Purchase Agreement and the other Financing Documents shall thereupon terminate and be discharged and satisfied, and thereupon all the monies and properties of the Issuer then subject to such liens and security interests shall be free and clear thereof. In such event, the Holder shall execute and record or file, at the expense of the Company, all documents reasonably requested by the Issuer to effect such discharge and satisfaction.

SECTION 505. ADDITIONAL AMOUNTS PAYABLE FOLLOWING AN EVENT OF TAXABILITY.

(A) If an Event of Taxability shall occur, the Issuer shall, subject to the limitations contained in Section 503 and Section 807 hereof, pay to the Holder the following additional amounts with respect to the Bond:

(1) Until payment of the Bond in full, on or before each Bond Payment Date on the Bond, the Issuer shall pay accrued interest on the Bond calculated at the Taxable Bond Rate.

(2) Within seven (7) business days after demand by the Holder, regardless of whether such demand shall be made prior to or at the maturity of the Bond or subsequent to payment in full of the Bond, the Issuer shall pay the following additional amounts:

(a) an amount equal to the difference between (i) the interest payments that would have been payable on the Bond had such interest payments been calculated from the date such interest was deemed to be includable in the gross income of the Holder for federal income tax purposes at the Taxable Bond Rate, as such Taxable Bond Rate may have varied from time to time during such period, and (ii) the amount of such interest payments actually made, plus

(b) the amount of penalties, additions to tax or interest assessed against the Holder on account of the inclusion of the interest payments on the Bond in the Holder's gross income for federal income tax purposes.

(B) If an Event of Taxability shall occur following the payment in full of the principal of, premium, if any, and interest on the Bond, the Holder shall give notice to the Company of such Event of Taxability and, within thirty (30) days after receipt thereof, the Company shall pay to the Holder an amount equal to 100% of all amounts payable by the Issuer to the Holder pursuant to subsection (A) hereof.

(C) The obligations of the Issuer and the Company under this Section shall survive the payment in full of all sums due under the Bond and this Section and the expiration or sooner termination of this Agreement and shall continue in full force and effect until sixty (60) days after all applicable statutes of limitation have run (after taking into account all extensions and suspensions thereof) in respect of any taxable year during which any payment of interest on the Bond was received or accrued.

SECTION 506. INCREASED COSTS; CAPITAL ADEQUACY. (A) If the adoption, effectiveness or phase-in, after the date hereof, of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or by the interpretation thereof by any court, or compliance by the Holder with any request or directive (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, and specifically including Basel III regulations governing the Holder (whether or not having the force of law) (each, a "Regulatory Change"):

(1) shall subject the Holder to any imposition or other charge with respect to any amounts due under the Bond Purchase Agreement or the Bond (except for changes in the rate of tax on the overall net income of the Holder); or

(2) shall impose, modify or deem applicable any reserve, special deposit, deposit insurance, capital adequacy, liquidity requirement or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System) against assets of, deposits with or for the account of, or credit extended by, the Holder or shall impose on the Holder any other condition affecting payments under the Bond Purchase Agreement or the Bond or the Holder's rights to receive such payment

and the result of any of the foregoing is to increase the cost to the Holder of making or maintaining the investment evidenced by the Bond or to reduce the amount of any sum received or receivable by the Holder under the Bond Purchase Agreement or under the Bond by an amount deemed by the Holder to be material, then, upon demand by the Holder and receipt by the Company of a certificate from the Holder setting forth its calculation of the amount owed, the Company shall forthwith pay to the Holder such additional amount or amounts as will compensate the Holder for such increased costs or reduction in receipts. In determining such additional amounts, the Holder may make such reasonable estimates, assumptions, allocations and the like which the Holder in good faith determines to be its actual cost of funds, but the Holder's selection thereof and the Holder's determinations based thereon shall be final and binding and conclusive upon the Company absent manifest error.

(B) If any change in, or the introduction, adoption, effectiveness, interpretation, reinterpretation or phase-in of, any law or regulation, directive, guideline, decision or request (whether or not having the force of law) of any court, central bank, regulator or other Governmental Authority, and specifically including Basel III regulations governing the Holder (whether or not having the force of law), affects or would affect the amount of capital required or expected to be maintained by the Holder, or any person controlling the Holder, and the Holder determines (in its sole and absolute discretion) that the rate of return on its or such controlling person's capital as a consequence of the Holder's ownership of the Bond are reduced to a level below that which the Holder or such controlling person could have achieved but for the occurrence of any such circumstance, then, in any such case upon notice from time to time by the Holder to the Company, the Company shall immediately pay directly to the Holder additional amounts sufficient to compensate the Holder or such controlling person for such reduction in rate of return. A statement of the Holder as to any such additional amount or amounts (including calculations thereof in reasonable detail) shall, in the absence of manifest error, be conclusive and binding on the Company. In determining such amount, the Holder may use any method of averaging and attribution that it (in its sole and absolute discretion) shall deem applicable.

(C) A certificate of the Holder claiming compensation under this subsection shall be conclusive in the absence of manifest error. Such certificate shall set forth the nature of the occurrence giving rise to such compensation, the additional amount or amounts to be paid to the Holder hereunder

and the method by which such amounts were determined. In determining such amounts, the Holder may use any reasonable averaging and attribution methods.

(D) No failure on the part of the Holder to demand compensation on any one occasion shall constitute a waiver of its right to demand such compensation on any other occasion and no failure on the part of the Holder to deliver any certificate in a timely manner shall in any way reduce any obligation of the Institution to the Holder under this subsection (D). If a Holder has granted a participation in the Bond, the Institution's obligations to the Holder under this subsection (D) will be computed as if such participation had not taken place, with the Holder to be responsible for payments to the participants in accordance with the relevant participation agreements.

(E) If the maximum marginal statutory rate of federal tax imposed upon income of corporations generally (whether or not the Holder is actually taxed at said maximum marginal statutory rate) decreases for any period during which the Bonds are outstanding and bear interest at the Tax-Exempt Bond Rate, the factor of 70% used in calculating the interest rate on the Bonds bearing interest at the Tax-Exempt Bond Rate shall be increased, effective upon the effective date of such decrease, in order to maintain the same taxable equivalent yield to the Holder.

(F) Notwithstanding the foregoing, the "Regulatory Changes" to which this Section 506 applies will not be deemed to include any change the result of which is an Event of Taxability.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

SECTION 601. EVENTS OF DEFAULT DEFINED. (A) The following shall constitute Events of Default hereunder:

- (1) A default occurs, within five (5) days written notice to the Company by the Holder, of non-payment of the principal, interest and premium (including, without limitation, Breakage Fee), if any, or any other sum due on the Bond or any other amounts specified to be paid herein;
- (2) Other than as provided in Paragraphs (1) or (3) of this Section 601(A), the failure of the Issuer or the Company to comply with any of the covenants, conditions or agreements made, or to be observed, by either of them in this Bond Purchase Agreement for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given in writing to the Issuer and the Company, provided that if such default cannot reasonably be cured within such thirty (30) day period and the Company shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as it shall require the Company in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of sixty (60) days;
- (3) Any representation or warranty made by the Issuer or the Company herein or in any other instrument or document delivered by the Issuer or the Company to the Holder in connection with the sale of the Bond proves to be false or misleading in any material respect at the time it was made or deemed to be made under this Agreement;
- (4) An Event of Default shall occur under any of the other Financing Documents;
- (5) The Company shall generally not pay its debts as such debts become due or admits its inability to pay its debts as they become due;
- (6) Any sale, conveyance, lease agreement or any other change of ownership of the Project Facility, whether occurring voluntarily or involuntarily, or by operation of law or otherwise, by the Company (except pursuant to the Loan Agreement) of its interest in the Project Facility or any part thereof or the granting of any easements or restrictions or the permitting of any encroachments on the Project Facility (except as permitted in the Loan Agreement);
- (7) (a) The filing by the Company (as debtor) of a voluntary petition under Title 11 of the United States Code or any other federal or state bankruptcy statute, (b) the failure by the Company within sixty (60) days to lift any execution, garnishment or attachment of such consequence as will impair the Company's ability to carry out its obligations hereunder, (c) the commencement of a case under Title 11 of the United States Code against the Company as the debtor or commencement under any other federal or state bankruptcy statute of a case, action or proceeding against the Company and continuation of such case, action or proceeding without dismissal for a period of sixty (60) days, (d) the entry of an order for relief by a court of competent jurisdiction under Title 11 of the United States Code or any other federal or state bankruptcy statute with respect to the debts of the Company, or (e) in connection with any

insolvency or bankruptcy case, action or proceeding, appointment by final order, judgment or decree of a court of competent jurisdiction of a receiver or trustee of the whole or a substantial portion of the of the Company, unless such order, judgment or decree is vacated, dismissed or dissolved within sixty (60) days of such appointment;

(8) The imposition of a Lien on the Project Facility, other than a Permitted Encumbrance;

(9) The removal of the Equipment, or any portion thereof, outside the Town of Amherst, New York, without the prior written consent of the Issuer and the Holder, other than in connection with a removal under Section 4.1 of the Loan Agreement;

(10) If the Company shall fail to exhibit to the Holder, within ten (10) days after its receipt of written demand, receipts showing payment of all taxes, water rates, sewer rents and assessments;

(11) If any Federal tax lien is filed against the Company or the Mortgaged Property and the same is not bonded or otherwise discharged of record within ninety (90) days;

(12) If, without the consent of the Holder, any leases affecting the Project Facility are made, canceled or materially modified or if any portion of the rents of the Mortgaged Property is paid for a period of more than one (1) month in advance or if any of the rents of the Mortgaged Property are further assigned; or if the Company shall assign the rents or any part of the rents of the Mortgaged Property without first obtaining a written consent of the Holder to such assignment, or upon the actual or threatened demolition, removal or material alteration, without like consent, of any building erected or to be erected upon said premises;

(13) If the Company shall make an assignment for the benefit of creditors;

(14) If the Company fails to maintain its status under Section 501(c)(3) of the Code;
or

(15) If the Company fails to maintain its license pursuant to Article 28 of the Public Health Law of the State of New York and the rules and regulations promulgated thereunder.

(B) The Company will furnish to the Holder, within seven (7) days after becoming aware of the existence of any condition or event which constitutes a default or an Event of Default, written notice specifying the nature and period of existence thereof and the action which the Company is taking or proposes to take with respect thereto.

SECTION 602. REMEDIES ON DEFAULT. (A) Whenever any Event of Default shall have occurred, the Holder may, in its sole discretion, by written notice to the Issuer and the Company, (1) cause the Disbursing Agent to terminate the disbursement of money from the Project Fund and/or the Insurance and Condemnation Fund, and/or (2) purchase materials, employ workmen to protect the Project Facility and/or complete the Project Facility according to the Plans and Specifications, if any, and/or (3) declare the unpaid principal of and the interest on the Bond to be forthwith due and payable, together with any premium and Breakage Fee payable thereon, whereupon the same, together with any and all other sums and amounts due and payable to the Holder under the Financing Documents, shall become forthwith due and payable without protest, presentment, notice or demand, all of which, to the extent permitted by law, are expressly waived by the Issuer and the Company, and/or (4) exercise any of the remedies available to

the Holder under the terms of the Financing Documents or the Enabling Act or in law or at equity. All Bond Proceeds paid or expended under this Section 602 shall be deemed disbursements to the Company and shall be secured by the Financing Documents. The Holder may at any time extend the payment of the Loan evidenced by the Bond, and any extension so granted shall be deemed to be made pursuant to this Bond Purchase Agreement and not in modification thereof.

(B) Whenever any Event of Default shall have occurred, interest on the Bond shall accrue at the Default Bond Rate.

(C) If any payment is not made to the Holder on the date which it is due, the Holder shall be entitled to receive, upon demand, an amount equal to five percent (5%) of such unpaid payment.

(D) Any sums paid to the Issuer as a consequence of any action taken pursuant to this Section 602 (excepting sums payable to the Issuer as a consequence of action taken to enforce the Unassigned Rights) shall be paid to the Holder and applied in accordance with the provisions of the Financing Documents.

(E) All costs and expenses incurred by the Holder in remedying such default or in appearing in, defending, or bringing any such action or proceeding shall be paid by the Company to the Holder upon demand, with interest at the Default Interest Rate for the period after notice from the Holder that such costs or expenses were incurred to the date of payment to the Holder.

(F) The Holder, upon the actual or threatened waste to any part of the Mortgaged Property or upon the occurrence of any default under the Financing Documents, shall be at liberty, without notice, to apply for the appointment of a receiver of the rents of the Mortgaged Property, and shall be entitled to the appointment of such receiver as a matter of right, without regard to the value of the Mortgaged Property as security for the Indebtedness, or the solvency or insolvency of any person then liable for the payment of the Indebtedness.

(G) No action taken pursuant to this Section 602 (including repossession of the Project Facility) shall relieve the Company from its obligations to make all payments required by this Bond Purchase Agreement and/or the other Financing Documents.

SECTION 603. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Holder is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Bond Purchase Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article VI, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

SECTION 604. WAIVERS; NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER. The parties hereto may at any time and from time to time waive any one or more of the conditions contained herein, but any such waiver shall be deemed to be made in pursuance hereof and not in modification hereof; and any such waiver in any instance or under any particular circumstances shall not be considered a waiver of such condition in any other instance or any other circumstances.

SECTION 605. AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES. In the event the Company should default under any of the provisions of this Bond Purchase Agreement and the Issuer or

the Holder should employ attorneys or incur other expenses for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Company herein contained or the exercise of any remedy pursuant to this Bond Purchase Agreement, any other Financing Document or Applicable Laws, the Company shall, on demand therefor, pay to the Issuer or the Holder, as the case may be, the reasonable fees of such attorneys and such other expenses so incurred, whether an action is commenced or not.

ARTICLE VII

DISBURSING AGENT AND BOND REGISTRAR

SECTION 701. APPOINTMENT OF DISBURSING AGENT AND BOND REGISTRAR, AND ACCEPTANCE OF DUTIES. (A) The Disbursing Agent is hereby appointed and agrees to act as Disbursing Agent under this Bond Purchase Agreement. The Holder is hereby appointed and agrees to act as Bond Registrar with respect to the Bond. The Disbursing Agent and the Bond Registrar shall signify their acceptance of the duties and obligations of the Disbursing Agent or the Bond Registrar by executing this Bond Purchase Agreement.

(B) The acceptance by the Disbursing Agent and the Bond Registrar of the duties imposed upon the Disbursing Agent and the Bond Registrar by this Article VII and under Section 8 of the Bond and the agreement by the Disbursing Agent and the Bond Registrar to perform said duties is subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Article VII against the Disbursing Agent or the Bond Registrar:

(1) The Disbursing Agent and the Bond Registrar undertake to perform such duties and only such duties as are specifically set forth in this Bond Purchase Agreement and in the Bond;

(2) The Disbursing Agent or the Bond Registrar may execute any of the powers conferred upon them in this Bond Purchase Agreement and in the Bond and perform any of their respective duties by or through attorneys, agents or employees and may in all cases pay such reasonable compensation to all such attorneys and agents as may reasonably be employed in connection herewith;

(3) The Disbursing Agent and the Bond Registrar shall be protected in acting in good faith upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and to have been signed or sent by the proper Person or Persons;

(4) The permissive right of the Disbursing Agent or the Bond Registrar to do things enumerated in this Bond Purchase Agreement and in the Bond shall not be construed as a duty and neither the Disbursing Agent nor the Bond Registrar shall be answerable for other than their respective gross negligence or willful misconduct; and

(5) For so long as the Holder is both the Holder and the Disbursing Agent, the Disbursing Agent shall be deemed to have notice of any Event of Default of which the Holder has notice;

(6) All moneys received by the Disbursing Agent shall be held in the funds herein provided for the purpose for which they were received, but need not be segregated from other moneys held by the Disbursing Agent except to the extent required by this Article or by law. The Disbursing Agent shall not be liable for interest on any moneys received hereunder, except to the extent expressly provided herein;

(7) Neither the Disbursing Agent nor the Bond Registrar shall be required to give any bond or surety in respect of the execution of the duties and powers intended to be conferred upon them in this Bond Purchase Agreement or the Bond or otherwise in respect of the premises; and

(8) The Disbursing Agent shall not make any assignment or transfer of the interests granted to the Disbursing Agent under this Bond Purchase Agreement, except as specifically provided for herein.

(C) In consideration of the acceptance by the Disbursing Agent and the Bond Registrar of their respective duties hereunder and under the Financing Documents, the Company hereby agrees to reimburse the Disbursing Agent and the Bond Registrar for reasonable out-of-pocket expenses incurred by the Disbursing Agent or the Bond Registrar, as the case may be, in connection with their services hereunder or under the Bond, as the case may be, and to indemnify the Disbursing Agent and the Bond Registrar against any liabilities and other expenses which either of them may incur in the due and proper exercise and performance of their powers and duties hereunder.

SECTION 702. MERGER OR CONSOLIDATION OF DISBURSING AGENT OR BOND REGISTRAR. Any corporation or association into which the Disbursing Agent or the Bond Registrar may be converted or merged, or with which the Disbursing Agent or the Bond Registrar may be consolidated, or to which the Disbursing Agent or the Bond Registrar may sell or transfer its assets as a whole or substantially as a whole, or any corporation or association resulting from any conversion, sale, merger, consolidation or transfer to which the Disbursing Agent or the Bond Registrar is a party, ipso facto, shall be and become successor Disbursing Agent or Bond Registrar, as the case may be, hereunder and shall be vested with all the powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument of any further act, deed or conveyance on the part of any of the parties hereto.

SECTION 703. RESIGNATION BY DISBURSING AGENT OR BOND REGISTRAR. The Disbursing Agent or the Bond Registrar and any successor Disbursing Agent or Bond Registrar may, at any time, resign as Disbursing Agent or Bond Registrar, as the case may be, and be discharged of its duties and obligations under this Bond Purchase Agreement by giving not less than sixty (60) days written notice to the Issuer, the Company and the Holder, which Holder shall, with the consent of the Issuer and the Company (which consent shall not to be unreasonably withheld, conditioned or delayed), designate a successor Disbursing Agent or Bond Registrar within fifteen (15) days of receipt of said notice; provided, however, that in no event shall such a resignation take effect until a successor Disbursing Agent or Bond Registrar, as the case may be, has been appointed by the Holder. Any successor Disbursing Agent or Bond Registrar appointed hereunder shall be a banking corporation, trust company or bank which is authorized to undertake the duties and to exercise the rights and powers intended to be conferred upon it by Section 303 and this Bond Purchase Agreement and in the Bond.

ARTICLE VIII

MISCELLANEOUS

SECTION 801. COMPANY TO PAY EXPENSES. (A) In addition to the commitment fee referred to in Section 302(A)(1) hereof, the Company shall pay all costs and expenses in connection with the transactions contemplated herein, including, but not limited to: (1) the legal fees and disbursements of Holder's counsel and Issuer's counsel and Bond Counsel; (2) all survey costs; (3) all charges of the Title Insurer; (4) all recording and/or filing fees for all documents which Holder's counsel may require to be recorded or filed; (5) mortgage taxes, if any, relating to the recording of the Financing Documents; and (6) all other costs and expenses required to satisfy the conditions of the Holder Commitment, including any fee or charge of the Holder.

(B) Additionally, the Company shall pay for all costs and expenses relating to any modification or amendment of any of the documents delivered in connection with the transactions contemplated by this Bond Purchase Agreement.

SECTION 802. NOTICES. (A) All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (1) sent to the applicable address stated below by registered or certified mail, return receipt requested, or by such other means (including, without limitation, any national overnight delivery service) as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee.

(B) The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE ISSUER:

Town of Amherst Development Corporation
4287 Main Street
Amherst, New York 14226
Attention: Chairman

WITH A COPY TO:

Hurwitz & Fine, P.C.
1300 Liberty Building
Buffalo, New York 14202
Attention: Kevin J. Zanner, Esq.

IF TO THE COMPANY:

Beechwood Health Care Center, Inc.
2235 Millersport Highway
Getzville, New York 14068
Attention: Daniel P. O'Neill, President and CEO

WITH A COPY TO:

Nixon Peabody LLP
55 West 46th Street
New York, New York 10036
Attention: Katherine C. Baynes, Esq.

IF TO THE HOLDER:

M&T Bank, as Holder
M&T Center
One Fountain Plaza, 12th Floor
Buffalo, New York 14203
Attention: Andrew D. Cohn, Vice President

WITH A COPY TO:

Harris Beach LLC
445 Hamilton Avenue, Suite 1206
White Plains, New York 10601
Attention: Patrick M. Malgieri, Esq.

IF TO THE DISBURSING AGENT:

M&T Bank, as Disbursing Agent
M&T Center
One Fountain Plaza, 12th Floor
Buffalo, New York 14203
Attention: Andrew D. Cohn, Vice President

WITH A COPY TO:

Harris Beach LLC
445 Hamilton Avenue, Suite 1206
White Plains, New York 10601
Attention: Patrick M. Malgieri, Esq.

(C) A duplicate copy of each notice, certificate and other communication given hereunder by the Holder, the Issuer, the Disbursing Agent or the Company shall be given to the other parties hereto.

(D) The Issuer, the Company, the Disbursing Agent and the Holder may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

SECTION 803. AMENDMENT. This Bond Purchase Agreement may not be amended, changed, modified, altered or terminated except by written instrument executed and delivered by the parties hereto.

SECTION 804. BINDING EFFECT. This Bond Purchase Agreement shall be binding upon and inure to the benefit of the Issuer, the Company, the Disbursing Agent and the Holder and their respective successors and assigns.

SECTION 805. EXECUTION OF COUNTERPARTS. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 806. APPLICABLE LAW. This Bond Purchase Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York. Any suit, action or other legal proceeding arising out of this Bond Purchase Agreement may be brought in the courts of the State located in Erie County, New York or the courts of the United States located within the Western District of New York. THE PARTIES HEREBY EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY ON ANY CAUSE OF ACTION DIRECTLY OR INDIRECTLY INVOLVING THE TERMS, COVENANTS OR CONDITIONS OF THIS AGREEMENT OR ANY MATTERS ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT.

SECTION 807. NO RECOURSE; SPECIAL OBLIGATION. (A) All covenants, stipulations, promises, agreements and obligations of the Issuer contained in this Bond Purchase Agreement, in the Bond, in the other Financing Documents executed by the Issuer and in the other documents and instruments connected herewith or therewith, and in any documents supplemental thereto (collectively, the "Financing Documents") shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Issuer and not of any member, director, officer, agent (other than the Company), servant or employee of the Issuer in his individual capacity, and no recourse under or upon any obligation, covenant or agreement in the Financing Documents contained or otherwise based upon or in respect of the Financing Documents, or for any claim based hereon or thereon or otherwise in respect hereof or thereof, shall be had against any past, present or future member, director, officer, agent (other than the Company), servant or employee, as such, of the Issuer or of any successor entity or political subdivision or any Person executing any of the Financing Documents on behalf of the Issuer, either directly or through the Issuer or any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer, it being expressly understood that the Financing Documents and the Bond issued thereunder are solely corporate obligations, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent (other than the Company), servant or employee of the Issuer or of any successor entity or political subdivision or any Person so executing any of the Financing Documents on behalf of the Issuer because of the creation of the indebtedness thereby authorized, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, director, officer, agent (other than the Company), servant or employee because of the creation of the indebtedness authorized by the Financing Documents, or under or by reason of the obligations, covenants or agreements contained in the Financing Documents or implied therefrom, are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution by the Issuer of the Financing Documents and the issuance, sale and delivery of the Bond.

(B) The obligations and agreements of the Issuer contained herein shall not constitute or give rise to an obligation of the State of New York or the Town of Amherst, New York, and neither the State of New York nor the Town of Amherst, New York shall be liable thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Issuer, but rather shall constitute limited obligations of the Issuer payable solely from the revenues of the Issuer derived and to be derived from the Loan Agreement (except for revenues derived by the Issuer with respect to the Unassigned Rights).

(C) Notwithstanding any provision of this Bond Purchase Agreement to the contrary, no order or decree of specific performance with respect to any of the obligations of the Issuer hereunder shall be sought or enforced against the Issuer unless (1) the party seeking such order or decree shall first have requested the Issuer in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Issuer shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request within such ten (10) day period) or failed to respond within such notice period, (2) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Issuer an amount or undertaking sufficient to cover such reasonable fees and expenses, and (3) if the Issuer refuses to comply with such request and the Issuer's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents (other than the Company) or employees shall be subject to potential liability, the party seeking such order or decree shall (a) agree to indemnify, hold harmless and defend the Issuer and its members, officers, agents (other than the Company) and employees against any liability incurred as a result of its compliance with such demand, and (b) if requested by the Issuer, furnish to the Issuer satisfactory security to protect the Issuer and its members, officers, agents (other than the Company) and employees against all liability expected to be incurred as a result of compliance with such request. Any failure to provide the indemnity and/or security required in this Section 807(C) shall not affect the full force and effect of an Event of Default hereunder.

SECTION 808. HEADINGS AND TABLE OF CONTENTS. The table of contents and the headings of the several sections in this Bond Purchase Agreement have been prepared for the convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Bond Purchase Agreement.

SECTION 809. SEVERABILITY. (A) If any provision of this Bond Purchase Agreement shall, for any reason, be held or shall, in fact, be inoperative or unenforceable in any particular case, such circumstances shall not render the provision in question inoperative or unenforceable in any other case or circumstance or render any other provision herein contained on any provision of any of the other Financing Documents inoperative or unenforceable.

(B) The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections in this Bond Purchase Agreement shall not affect the remaining portion of this Bond Purchase Agreement or any part thereof.

SECTION 810. SURVIVAL OF OBLIGATIONS. This Bond Purchase Agreement shall survive the purchase and sale of the Bond and shall remain in full force and effect until the principal of the Bond, together with the premium, if any, and interest thereon and all amounts payable under this Bond Purchase Agreement and the other Financing Documents, shall have been paid in full.

SECTION 811. RECORDING AND FILING. (A) The Issuer shall record or file or cause to be recorded or filed, as the case may be, at the Company's expense, the Bond Purchase Agreement, the Mortgage, and all other security instruments and financing statements reasonably requested by the Holder with respect to the Bond in such manner and in such places as may be required by law to perfect the liens and security interests contemplated herein and therein.

(B) The Holder is authorized to file all security instruments, including without limitation financing statements and continuation statements under the Uniform Commercial Code of the State of

New York, in such manner and in such places as may be required by law to protect and maintain in force all such liens and security interests. The Issuer and the Company hereby authorize the Holder to file such instruments and statements without execution thereof by the Issuer or the Company.

SECTION 812. LIEN LAW AFFIDAVIT. A true statement, under oath, verified by the Company as required by Section 22 of the Lien Law, is attached hereto as Exhibit D and made a part hereof.

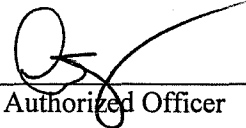
SECTION 813. BIFURCATION. Notwithstanding anything in this Bond Purchase Agreement to the contrary, of the \$9,675,000 principal amount of the Bond, only \$1,000,000.00 is being loaned or will be disbursed as a Building Loan pursuant to the provisions of this Bond Purchase Agreement and will be secured by the Mortgage. The balance of the principal amount of the Bond is being loaned or will be disbursed for the purpose of paying the costs not constituting a “cost of improvement”, as such quoted term is defined in Section 2 of the Lien Law.

SECTION 814. PARTICIPATION. Notwithstanding any other provision of this Bond Purchase Agreement, the Company and the Issuer understand that the Holder may at any time enter into participation agreements with one or more participating banks, financial institutions, insurance companies or other Persons whereby the Holder will allocate to each such participant certain percentages of the payment obligations of the Company under this Bond Purchase Agreement and the Loan Agreement. Notwithstanding any such participation, the Company and the Issuer shall continue to deal solely and directly with the Holder in connection with the Holder’s rights and obligations under this Bond Purchase Agreement and any and all rights of the owner of the Bond under the Bond Documents may be exercised by the Holder only.

SECTION 815. PATRIOT ACT NOTICES. The Holder hereby notifies the Company that, pursuant to the requirements of the USA Patriot Act (Title III of Public Law 107-56), the Holder is required to obtain, verify and record information that identifies the Company, which information includes the name and address of the Company and other information that will allow the Holder to identify the Company in accordance with the USA Patriot Act.

IN WITNESS WHEREOF, the Issuer, the Company, the Holder and the Disbursing Agent have caused this Bond Purchase Agreement to be executed in their respective names by duly authorized officers thereof, and the parties hereto have caused this Bond Purchase Agreement to be dated as of the day and year first above written.

TOWN OF AMHERST DEVELOPMENT CORPORATION

BY:  _____
Authorized Officer

M&T BANK, as Holder

BY: _____
Authorized Officer

BEECHWOOD HEALTH CARE CENTER, INC.

BY:  _____
Daniel P. O'Neill, Chief Executive Officer

M&T BANK, as Disbursing Agent

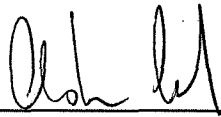
BY: _____
Authorized Officer

IN WITNESS WHEREOF, the Issuer, the Company, the Holder and the Disbursing Agent have caused this Bond Purchase Agreement to be executed in their respective names by duly authorized officers thereof, and the parties hereto have caused this Bond Purchase Agreement to be dated as of the day and year first above written.

TOWN OF AMHERST DEVELOPMENT
CORPORATION

BY: _____
Authorized Officer

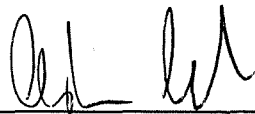
M&T BANK, as Holder

BY:  _____
Authorized Officer

BEECHWOOD HEALTH CARE CENTER, INC.

BY: _____
Daniel P. O'Neill, Chief Executive Officer

M&T BANK, as Disbursing Agent

BY:  _____
Authorized Officer

STATE OF NEW YORK)
 : SS.
COUNTY OF ERIE)

On the 8th day of September in the year 2017 before me, the undersigned, personally appeared DAVID S. MINGOIA, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

JOSEPH M. REYNOLDS
Notary Public of New York
Qualified in Erie County
My Commission Expires 4/12/19

STATE OF NEW YORK)
) ss.:
COUNTY OF Eric)

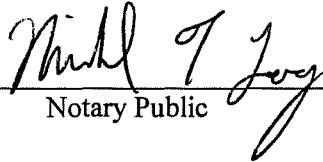
On the 8th day of September, in the year 2017, before me, the undersigned, a notary public in and for said state, personally appeared Andrew Cohn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Carrie A. Brem
Notary Public


CARRIE A. BREM
NOTARY PUBLIC STATE OF NEW YORK
ERIE
LIC. #01BR6344645
COMM. EXP. 07/05/2020

STATE OF NEW YORK)
 : SS.
COUNTY OF ALBANY)

On the 12th day of September in the year 2017 before me, the undersigned, personally appeared DANIEL P. O'NEILL, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

 **Michael T. Logan**
Notary Public, State of New York
No. 02LO6284928
Qualified in Schenectady County
Commission Expires July 1, 2011

APPENDIX A

SCHEDULE OF DEFINITIONS

The following words and terms used in the attached document shall have the respective meanings set forth below unless the context or use indicates another or different meaning or intent:

“Accountant” means an independent certified public accountant or a firm of independent certified public accountants selected by the Company and acceptable to the Holder.

“Act” means the Enabling Act.

“Applicable Laws” means all statutes, codes, laws, acts, ordinances, orders, rules, regulations, directions and requirements of all Governmental Authorities, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to or affect the Project Facility or any part thereof or the conduct of work on the Project Facility or any part thereof or to the operation, use, manner of use or condition of the Project Facility or any part thereof, including but not limited to (1) applicable building, zoning, environmental, planning and subdivision laws, ordinances, rules and regulations of Governmental Authorities having jurisdiction over the Project Facility, (2) restrictions, conditions or other requirements applicable to any permits, licenses or other governmental authorizations issued with respect to the foregoing, and (3) judgments, decrees or injunctions issued by any court or other judicial or quasi-judicial Governmental Authority.

“Arbitrage Certificate” means the certificate dated the Closing Date for the Bond executed by the Issuer and relating to certain requirements set forth in Section 148 of the Code.

“Authorized Investments” means, to the extent permitted by the Act and any other applicable law, any of the following: (A) direct obligations of the United States of America, or of any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States, or any fund investing exclusively in such obligations; (B) obligations of the State of New York or any political subdivision, school district, district corporation or public benefit corporation thereof which bear an investment grade rating from Standard & Poor’s or Moody’s, or any fund investing exclusively in such obligations; and (C) other investments approved by the Holder in writing, in its sole discretion.

“Authorized Representative” means the Person or Persons at the time designated to act on behalf of the Issuer or the Company, as the case may be, by written certificate furnished to the Holder, the Issuer and the Company containing the specimen signature of each such Person and signed on behalf of (A) the Issuer by its Chairman, a Vice Chairman or Chief Executive Officer, or such other person as may be authorized by resolution of the Issuer to act on behalf of the Issuer, and (B) the Company by its President, any Vice President or such other person as may be authorized by the board of directors of the Company to act on behalf of the Company.

“Bank Purchase Tender Date” means October 1, 2027, as the same may be extended pursuant to Section 502(B)(3) of the Bond Purchase Agreement.

“Bankruptcy Code” shall mean the United States Bankruptcy Code, constituting Title 11 of the United States Code, as it is amended from time to time, and any successor statute.

“Bond” means the Issuer’s Tax-Exempt Revenue Bond (Beechwood Health Care Center, Inc. Project), Series 2017 in the principal amount of \$9,675,000, dated the Closing Date, in substantially the form attached to the Bond Purchase Agreement as Schedule I thereto, and any Bond issued in substitution therefor pursuant to the provisions of the Bond Purchase Agreement.

“Bond Counsel” means the law firm of Hodgson Russ LLP, Albany, New York or such other attorney or firm of attorneys located in the State whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and who are acceptable to the Issuer and the Holder.

“Bond Payment Date” means the first Business Day of October, 2017 and the first Business Day of each calendar month thereafter on which a Debt Service Payment shall be payable on the Bond according to its terms, so long as the Bond is outstanding.

“Bond Proceeds” means the proceeds of the sale of the Bond, including any accrued interest, paid to the Disbursing Agent on behalf of the Issuer by the Holder as the purchase price of the Bond.

“Bond Purchase Agreement” means the bond purchase and disbursing agreement dated as of September 1, 2017 by and among the Issuer, the Company, the Holder and the Disbursing Agent, setting forth, among other things, the terms and conditions under which disbursements of the proceeds of the Bond will be made by the Disbursing Agent from the Project Fund, as said bond purchase and disbursing agreement may be amended or supplemented from time to time.

“Bond Rate” means (A) prior to the occurrence of an Event of Taxability, the Tax-Exempt Bond Rate, and (B) following the occurrence of an Event of Taxability, the Taxable Bond Rate; provided, however, that whenever any Event of Default shall have occurred, interest on the Bond shall accrue at the Default Bond Rate.

“Bond Registrar” means the Holder, acting as bond registrar for the Bond as set forth in Section 303(A) and Article VII of the Bond Purchase Agreement.

“Bond Resolution” means the resolution of the members of the board of directors of the Issuer duly adopted on July 21, 2017 authorizing the Issuer to finance the Project, to issue and sell the Bond and to execute and deliver the Financing Documents to which the Issuer is a party.

“Breakage Fee” shall have the meaning set forth in Section 502(A)(3) of the Bond Purchase Agreement.

“Building Loan “ means that portion of the proceeds of the Bond on deposit in the Project Fund to be disbursed to pay costs which constitute a “cost of improvement”, as said quoted term is defined in Section 2 of the Lien Law.

“Business Day” means a day other than (A) a Saturday or Sunday or (B) any day on which commercial banks in New York, New York are required or authorized by law to close.

“Closing” means the closing with respect to the issuance and sale of the Bond by the Issuer and the purchase of the Bond by the Holder pursuant to the provisions of the Bond Purchase Agreement.

“Closing Date” means the date of the Closing.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations of the United States Treasury Department promulgated thereunder.

“Company” means Beechwood Health Care Center, Inc., a New York not-for-profit corporation, and its successors and assigns, to the extent permitted by Section 8.4 of the Loan Agreement.

“Condemnation” means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any Governmental Authority.

“Continuing Covenants Agreement” means that certain Continuing Covenants Agreement, dated as of even date herewith, by and between the Company and the Holder and accepted and acknowledged by the Issuer, as the same may from time to time hereafter be amended supplemented or restated.

“Contract” means any contract, subcontract or purchase order or materials contract between the Company and a Contractor for the performance of certain work, labor or services or for the furnishing of certain materials, supplies or equipment in connection with the construction and/or equipping of the Facility.

“Contractor” means any Person who has agreed to perform certain work, labor or services or to furnish certain materials, supplies or equipment in connection with the construction and/or equipping of the Facility under a Contract.

“Cost of the Project” means all those costs and items of expense enumerated in Section 3.3(B) of the Loan Agreement.

“Debt Service Payment” means, with respect to any Bond Payment Date, (A) the interest payable on the Bond on such Bond Payment Date, plus (B) the principal, if any, payable on the Bond on such Bond Payment Date, plus (C) the premium, if any, payable on the Bond on such Bond Payment Date.

“Default Bond Rate” means a per annum rate of interest equal to the Taxable Bond Rate plus five percent (5%); provided, however, that such interest rate shall in no event exceed the maximum interest rate which the Company may by law pay.

“Default Interest Rate” means, when used with respect to any Financing Document (other than the Bond), a per annum rate of interest equal to the greater on a daily basis of (1) the Taxable Bond Rate plus 5%, or (2) 5% plus the National Prime Rate; provided, however, that such interest rate shall in no event exceed the maximum interest rate which the Company may by law pay.

“Defeasance Escrow Agreement” means a defeasance escrow agreement dated as of September 1, 2017 by and among the Prior Issuer, the Prior Trustee and the Company, as said agreement may be amended or supplemented from time to time.

“Defeasance Cash Deposit” shall have the meaning ascribed to such term in the Defeasance Escrow Agreement.

“Disbursing Agent” means M&T Bank, a banking corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at M&T Center, One Fountain Plaza, Buffalo, New York, in its capacity as disbursing agent under the Bond Purchase Agreement, and its successors and assigns as disbursing agent under the Bond Purchase Agreement.

“Enabling Act” means Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended.

“Environmental Compliance Agreement” means that certain Environmental Compliance and Indemnification Agreement, dated as of even date herewith, by and among the Company, the Issuer and the Holder, as the same may from time to time hereafter be amended, supplemented or restated.

“Equipment” means all materials, machinery, equipment, fixtures or furnishings intended to be acquired with the proceeds of the Bond or any payment made by the Company pursuant to Section 3.5 of the Loan Agreement, and such substitutions and replacements therefor as may be made from time to time pursuant to the Loan Agreement, including, without limitation, all the Property described in Exhibit B attached to the Loan Agreement.

“Event of Default” means any of those events defined as an Events of Default by the terms of any of the Financing Documents.

“Event of Taxability” means (A) receipt by the Holder of a written opinion of Bond Counsel to the effect that, based on written statements, certificates, audits, filings or any other documentation furnished by an Authorized Representative of the Company or any “principal user” (as defined in the Tax Regulatory Agreement) of the Project Facility or any Related Person thereto, the \$150,000,000 limit of Section 145(b) of the Code was exceeded at any time before the end of the three-year period commencing on the later to occur of (1) the date the Project Facility is placed in service or (2) the date the Bond was issued, or (B) the enactment of a statute or promulgation of a regulation eliminating, in whole or in part, the applicable exclusion, as such exists on the Closing Date, from gross income for federal income tax purposes for the interest paid or payable under the Bond, or (C) a “final determination by decision or ruling by a duly constituted administrative authority” to the effect that such exclusion from gross income for federal income tax purposes for interest paid or payable under the Bond is not available, is no longer available or is contrary to law, or (D) the expiration of the right to further administrative review of any determination, decision or ruling to the effect that such exemption for interest paid or payable under the Bond is not available, is no longer available or is contrary to law, or (E) receipt by and at the request of the Holder of a written opinion of Bond Counsel that there is no longer a basis for the holders of the Bond (or any former holder, other than a holder who is or was a Substantial User of the Project Facility or a Related Person thereto) to claim that any interest paid or payable on the Bond is excludable from gross income for federal income tax purposes.

For the purposes of clause (C) above, a “final determination by decision or ruling by a duly constituted administrative authority” shall mean (1) the issuance of a ruling (including, but not limited to, a revenue ruling or a letter ruling) by the IRS or any successor thereto, or (2) the issuance of a preliminary notice of proposed deficiency (“30-Day Letter”), a statutory notice of deficiency (“90-Day Letter”), or other written order or directive of similar force and effect by the IRS, or any other United States Governmental Authority having jurisdiction therein.

Notwithstanding the foregoing, nothing in this definition of “Event of Taxability” shall be construed (x) to mean or include consideration of the interest payable on the Bond for purposes of calculating the interest expense which may be deducted by a bank or other financial institution, or (y) to mean that the Holder or any other holder of the Bond shall have any obligation to contest or appeal any assertion or decision that any interest payable under the Bond is subject to taxation, or (z) to mean or include the imposition of an alternative minimum tax or preference tax or environmental tax or branch profits tax on the Holder or any other Holder of the Bond, in the calculation of which is included the interest paid or payable under the Bond.

“Facility” means various buildings and improvements located on the Land.

“Final Disbursement” means the final disbursement of the proceeds of the Bond made by the Disbursing Agent pursuant to the provisions of the Bond Purchase Agreement.

“Financial Assistance” shall have the meaning assigned to such term in the fourth recital clause to the Bond Purchase Agreement.

“Financial Institution” means (A) any national bank, banking corporation, national banking association or other banking institution, whether acting in its individual or fiduciary capacity, organized under the laws of the United States, any state, any territory or the District of Columbia, the business of which is substantially confined to banking and is supervised by the Comptroller of the Currency or a comparable state or territorial official or agency; (B) an insurance company whose primary and predominant business activity is the writing of insurance or the reinsuring of risks underwritten by insurance companies and which is subject to supervision by the insurance commissioner or a similar official or agency of a state, a territory or the District of Columbia; (C) an investment company registered under the Investment Company Act of 1940 or a business development company as described in Section 2(a)(48) of that Act; (D) an employee benefit plan, including an individual retirement account, which is subject to the provisions of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, insurance company or registered investment company; or (E) institutional investors or other entities who customarily purchase commercial paper or tax-exempt securities in large denominations.

“Financing Documents” means the Bond Purchase Agreement, the Bond, the Mortgage, the Loan Agreement, the Pledge and Assignment, the Mortgage Assignment, the Assignment of Rents, the Assignment of Rents Assignment, the Security Agreement, the Environmental Compliance Agreement, the Continuing Covenants Agreement, the Tax Documents, the Holder Documents and any other document now or hereafter executed by the Issuer or the Company in favor of the Holder which affects the rights of the Holder in or to the Project Facility, in whole or in part, or which secures or guarantees any sum due under the Bond or any other Financing Document, and all documents related thereto and executed in connection therewith, each as amended from time to time.

“Fiscal Year” means the twelve (12) month period beginning on January 1 in any year or such other fiscal year as the Company may select from time to time.

“Further Disbursement” means the second and subsequent disbursement of the proceeds of the Bond made by the Disbursing Agent pursuant to the provisions of the Bond Purchase Agreement.

“Governmental Authority” means the United States of America, the State and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them.

“Gross Proceeds” means one hundred percent (100%) of the proceeds of the transaction with respect to which such term is used, including, but not limited to, the settlement of any insurance claim or Condemnation award.

“Hazardous Materials” shall mean all hazardous materials including, without limitation, any flammable explosives, radioactive materials, radon, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, methane, hazardous materials, hazardous

wastes, hazardous or toxic substances, or related materials as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 6901, et seq.), Articles 15 or 27 of the State Environmental Conservation Law, or in the regulations adopted and publications promulgated pursuant thereto, or any other Federal, state or local environmental law, ordinance, rule or regulation.

“Holder” means M&T Bank, a banking corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at M&T Center, One Fountain Plaza, Buffalo, New York, as initial purchaser of the Bond, and its successors and assigns as holder of the Bond.

“Holder Commitment” means the commitment from the Holder to the Company dated June 9, 2017, with respect to the making of the Loan contemplated by the Bond Purchase Agreement and the purchase of the Bond to evidence such Loan.

“Holder Documents” means the Holder Commitment and any other document now or hereafter executed by the Issuer or the Company in favor of the Holder which affects the rights of the Holder in or to the Project Facility, in whole or in part, or which secures or guarantees any sum due under the Holder Documents.

“Holder Basis Points Adjustment” means (a) while the Bond Rate is at the Tax-Exempt Rate (i) 120 basis points, or (ii) in connection with determining the Bond Rate to be applicable on and after the Bank Purchase Tender Date then in effect, such other amount as determined by the Holder, in its absolute discretion, and (b) while the Bond Rate is at the Taxable Rate, (i) 175 basis points, or (ii) in connection with determining the Bond Rate to be applicable on and after the Bank Purchase Tender Date then in effect, such other amount as determined by the Holder, in its absolute discretion.

“Improvements” means the portion of the Project consisting of the reconstruction and renovation of the Facility.

“Indebtedness” means (1) the principal of, and the premium (including, without limitation, the Breakage Fee), if any, and the interest on, the Bond, issued in the original principal amount of \$9,675,000, (2) all other payments due from the Company or the Issuer to the Holder pursuant to any of the Financing Documents, (3) the performance and observance by the Issuer and the Company of all of the covenants, agreements, representations and warranties made for the benefit of the Holder in the Mortgage and the other Financing Documents, (4) the monetary obligations of the Company to the Issuer and its members, officers, agents, servants and employees under the Loan Agreement and the other Financing Documents, and (5) all interest accrued on any of the foregoing.

“Independent Counsel” shall mean an attorney or firm of attorneys duly admitted to practice law before the highest court of any state and not a full-time employee of the Company or the Issuer.

“Inducement Date” means the date which is sixty (60) days prior to the earlier of (A) July 21, 2017 or (B) the date on which the Company declared its official intent to reimburse expenditures made with respect to the Project with proceeds of borrowed money.

“Inducement Resolution” means the resolution adopted by the members of the board of directors of the Issuer on July 21, 2017 taking preliminary official action, subject to satisfaction of numerous conditions, toward the issuance of the Bond.

“Initial Disbursement” means the first disbursement of Bond Proceeds made by the Disbursement Agent under the Bond Purchase Agreement.

“Issuer” means (A) the Town of Amherst Development Corporation and its successors and assigns, and (B) any public instrumentality or other political subdivision resulting from or surviving any consolidation or merger to which Town of Amherst Development Corporation or its successors or assigns may be a party.

“Land” means the parcel of land located 2235 Millersport Highway in the Town of Amherst, Erie County, New York, as more particularly described on Exhibit A attached to the Loan Agreement.

“LIBOR Rate” means a rate determined by the Holder equal to (A) the average rate (rounded upwards to the nearest 1/16th) as shown by Reuters at which deposits in U.S. dollars are offered by first class banks in the London Interbank Market at approximately 11:00 a.m. (London time) on the day that is two (2) London Business Days prior to the first day of such LIBOR Rate Period with a maturity of one month and in an amount approximately equal to the amount to which such LIBOR Rate Period relates, divided by (B) a percentage equal to one hundred percent (100%) minus the Reserve Percentage for such LIBOR Rate Period, adjusted for reserves and taxes if required by future regulations. If Reuters no longer reports such rate or the Holder determines in good faith that the rate so reported no longer accurately reflects the rate available to the Bondholder in the London Interbank Market, the Holder may select a replacement index. Notwithstanding any provision above, the practice of rounding to determine LIBOR may be discontinued at any time in the Holder’s sole discretion and, so long as a “Swap” (as hereinafter defined) is in effect, the Holder will exercise its discretion to discontinue the practice of rounding. In the event the applicable London Interbank Offered Rate index (“Index”) utilized for determining the LIBOR Rate shall, at any time, be less than zero, such Index shall be deemed to be zero (0.00) for all purposes herein (“Negative Index Restriction”). Notwithstanding the foregoing, to the extent an interest rate swap agreement (“Swap”) between the Company and the Holder shall at any time be in effect in connection with the indebtedness evidenced by the Bond and/or the Loan Agreement, the Negative Index Restriction shall not apply to such indebtedness during such period as the Swap is in effect; provided, however, at such time and to the extent such Swap is terminated, cancelled or otherwise not in effect, the Negative Index Restriction shall be deemed reinstated.

“LIBOR Rate Period” means (A) initially, the period beginning on (and including) September 14, 2017, and ending on (but excluding) the first Business Day of October, 2017; and (B) thereafter, each period commencing at the end of the next preceding LIBOR Rate Period and ending on (but excluding) the first Business Day one month thereafter.

“Lien” means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including but not limited to a security interest arising from a mortgage, encumbrance, pledge, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term “Lien” includes reservations, exceptions, encroachments, projections, easements, rights of way, covenants, conditions, restrictions, leases and other similar title exceptions and encumbrances, including but not limited to mechanics’, materialmen’s, warehousemen’s and carriers’ liens and other similar encumbrances affecting real property. For purposes hereof, a Person shall be deemed to be the owner of any Property which it has acquired or holds subject to

a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

“Lien Law” means the Lien Law of the State.

“Loan” means the loan by the Issuer of the proceeds received from the sale of the Bond to the Company pursuant to the provisions of the Loan Agreement.

“Loan Agreement” means the loan agreement dated as of September 1, 2017 by and between the Issuer and the Company, as said loan agreement may be amended or supplemented from time to time.

“Loan Payments” means the amounts required to be paid by the Company pursuant to the provisions of Section 5.1 of the Loan Agreement.

“London Business Day” means any day on which dealings in United States dollar deposits are carried on by banking institutions in the London interbank market.

“Maturity Date” means January 1, 2040.

“Moody’s” means Moody’s Investors Service, Inc., and its successors and assigns.

“Mortgage” means the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated as of September 1, 2017 from the Company to the Issuer, which is intended to grant to the Issuer a first priority and perfected mortgage lien on and security interest the Mortgaged Property as security for the Bond, as said mortgage may be amended, consolidated, spread, split, released, restated or supplemented from time to time.

“Mortgaged Property” means the Project Facility and all other Property which may from time to time be subject to the Lien of the Mortgage.

“National Prime Rate” means a per annum rate of interest equal to the highest “prime rate” of interest quoted, from time to time, in the Money Rates column of the Wall Street Journal as the “base rate on corporate loans at large U.S. money center commercial banks”, provided, however, that in the event that the Wall Street Journal does not publish the National Prime Rate, the National Prime Rate shall be the per annum rate of interest quoted as the “Bank Prime Loan Rate” for “this week” in Statistical Release H.15(519) published from time to time by the Board of Governors of the Federal Reserve System calculated on actual days elapsed in a year of 360 days, such rate to be adjusted each Business Day based on the National Prime Rate as reported for the previous Business Day. For any period during which the Holder is M&T Bank, the National Prime Rate shall mean the rate of interest announced by M&T Bank each day as its prime rate of interest. Any provisions to the contrary notwithstanding, in no event shall the National Prime Rate be established beyond the maximum rate allowed by law.

“Net Proceeds” means so much of the Gross Proceeds with respect to which that term is used as remain after payment of all fees for services, expenses, costs and taxes (including attorneys’ fees) incurred in obtaining such Gross Proceeds.

“Non-Building Loan” means that portion of the Loan which does not constitute part of the Building Loan.

“Permitted Encumbrances” means (A) utility, access and other easements, rights of way, restrictions, encroachments and exceptions that exist on the Closing Date and benefit or do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (B) Liens for taxes, assessments and utility charges (1) to the extent permitted by Section 6.2(B) of the Loan Agreement, or (2) at the time not delinquent, (C) any Lien on the Project Facility obtained through any Financing Document, (D) any Lien on the Project Facility in favor of the Holder, (E) any Lien listed on Schedule I to the Mortgage, (F) any Lien listed in the title insurance policy delivered on the Closing Date, and (G) any Lien permitted by the Holder in writing.

“Person” means an individual, partnership, corporation, trust, unincorporated organization or Governmental Authority.

“Plans and Specifications” means (1) with respect to the Issuer, the description of the Project Facility appearing in the fourth recital clause to the Loan Agreement, and (2) with respect to the Holder, any plans and specifications for the reconstruction and renovation of the Facility approved by the Holder.

“Pledge and Assignment” means the pledge and assignment dated as of September 1, 2017 from the Issuer to the Holder, pursuant to which the Issuer has assigned to the Holder its rights under the Loan Agreement (except the Unassigned Rights), as said pledge and assignment may be amended or supplemented from time to time.

“Principal Balance” means, on any date of determination, the outstanding principal balance due and owing on the Bond on such date.

“Prior Bonds” shall have the meaning assigned to such term in the fourth recital clause to the Bond Purchase Agreement.

“Prior Issuer” means the Town of Amherst Industrial Development Agency.

“Prior Reserve Funds” means, collectively, the reserve funds held by the Prior Trustee with respect to the Prior Bonds.

“Prior Trustee” means Manufacturers and Traders Trust Company, a banking corporation constituting a trust company organized and existing under the laws of the State of New York, acting as trustee under a trust indenture dated as of December 1, 2006, by and between the Prior Issuer and the Prior Trustee.

“Project” shall have the meaning assigned to such term in the fourth recital clause to the Loan Agreement and the Bond Purchase Agreement.

“Project Facility” means, collectively, the Land, the Facility and the Equipment.

“Project Fund” means the fund so designated established pursuant to Section 402(A)(1) of the Bond Purchase Agreement.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

“Rebate Amount” shall have the meaning assigned to such term in the Tax Documents.

“Request for Disbursement” means a request from the Company, stating the amount of the disbursement from the Project Fund sought and containing the statements, representations and other items required by Section 3.3 of the Loan Agreement and by the Bond Purchase Agreement, in substantially the form of Exhibit C attached to the Bond Purchase Agreement.

“Reserve Percentage” means for any LIBOR Rate Period, that percentage which is specified three (3) Business Days before the first day of such LIBOR Rate Period by the Board of Governors of the Federal Reserve System (or any successor) or any other governmental or quasi-governmental authority with jurisdiction over the Holder for determining the maximum reserve requirement (including, but not limited to, any marginal reserve requirement) for the Holder with respect to liabilities constituting or including (among other liabilities) Eurocurrency liabilities in an amount equal to that portion of the Loan affected by such LIBOR Rate Period and with a maturity equal to such LIBOR Rate Period.

“Security Agreement” means that certain Security Agreement, dated as of the date hereof, by and between the Company and the Holder, as the same may from time to time hereafter be amended, supplemented or restated

“Securities Laws” means the Securities Act of 1933, as amended, and all other securities laws of the United States of America or the State to the extent that such laws may now or hereafter be applicable to or affect the issuance, sale and delivery of the Bond and any transfer or resale thereof.

“SEQRA” means Article 8 of the Environmental Conservation Law of the State and the statewide and local regulations thereunder.

“Standard & Poor’s” means Standard & Poor’s Corporation, and its successors and assigns.

“State” means the State of New York.

“Stated Maturity” means, when used with respect to any installment of principal or interest on a Bond, the date specified in such Bond as the fixed date on which the principal of such Bond or such installment of interest on such Bond is due and payable.

“Taxable Bond Rate” means (A) prior to October 1, 2027, a variable interest rate equal to the 1-month LIBOR, plus 175 basis points, and (B) on and after October 1, 2027 and any Bank Purchase Tender Date thereafter, a variable interest rate equal to the 1-month LIBOR, plus the Holder Basis Points Adjustment; provided, however:

(a) If the Holder shall determine that for any reason adequate and reasonable means do not exist for ascertaining LIBOR, the Holder will give notice of such determination to the Company. Thereafter, the Holder may not maintain the Taxable Bond Rate based upon LIBOR until the Holder revokes such notice in writing and, until such revocation, the Holder may convert the applicable interest rate to the National Prime Rate, plus 175 basis points; and

(b) If the Holder shall determine that the introduction of any law (statutory or common), treaty, rule, regulation, guideline or determination of an arbitrator or of a Governmental Authority or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other governmental authority has asserted that it is unlawful for the Holder to make LIBOR-based loans, then, on notice thereof by the Holder to the Company, the Holder may suspend the maintaining of the Taxable Bond Rate based upon LIBOR until the Holder shall have notified the Company that the circumstances giving rise to such determination

shall no longer exist. If the Holder shall determine that it is unlawful to maintain the Taxable Bond Rate based upon LIBOR, the Holder may convert the applicable interest rate to the National Prime Rate, plus 175 basis points.

“Tax Documents” shall mean, collectively, the Arbitrage Certificate and the Tax Regulatory Agreement.

“Tax-Exempt Bond Rate” means (A) prior to October 1, 2027, a variable interest rate equal to seventy percent (70%) of the 1-month LIBOR, plus 120 basis points, and (B) on and after October 1, 2027 and any Bank Purchase Tender Date thereafter, a variable interest rate equal to seventy percent (70%) of the 1-month LIBOR, plus the Holder Basis Points Adjustment; provided, however:

(a) If the Holder shall determine that for any reason adequate and reasonable means do not exist for ascertaining LIBOR, the Holder will give notice of such determination to the Company. Thereafter, the Holder may not maintain the Tax-Exempt Bond Rate based upon LIBOR until the Holder revokes such notice in writing and, until such revocation, the Holder may convert the applicable interest rate to seventy percent (70%) of the National Prime Rate, plus 120 basis points; and

(b) If the Holder shall determine that the introduction of any law (statutory or common), treaty, rule, regulation, guideline or determination of an arbitrator or of a Governmental Authority or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other governmental authority has asserted that it is unlawful for the Holder to make LIBOR-based loans, then, on notice thereof by the Holder to the Company, the Holder may suspend the maintaining of the Tax-Exempt Bond Rate based upon LIBOR until the Holder shall have notified the Company that the circumstances giving rise to such determination shall no longer exist. If the Holder shall determine that it is unlawful to maintain the Tax-Exempt Bond Rate based upon LIBOR, the Holder may convert the applicable interest rate to seventy percent (70%) of the National Prime Rate, plus 120 basis points.

“Tax Regulatory Agreement” means the tax regulatory agreement dated the Closing Date from the Company to the Issuer and the Holder, as said tax regulatory agreement may be amended or supplemented from time to time.

“Termination of Loan Agreement” means a termination of Loan Agreement by and between the Company, as borrower, and the Issuer, as lender, intended to evidence the termination of the Loan Agreement, substantially in the form attached as Exhibit C to the Loan Agreement.

“Title Insurer” means the issuer of the title insurance policy required by the Holder pursuant to Section 4.2 of the Loan Agreement and Section 302(A)(10) of the Bond Purchase Agreement.

“Unassigned Rights” means (A) the rights of the Issuer granted pursuant to Sections 2.2, 3.1, 3.2, 3.3, 3.8, 4.4, 5.1(B)(2), 5.1(C), 6.1, 6.2, 6.3, 6.4, 6.5, 7.1, 7.2, 8.1, 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.11, 8.14, 8.16, 8.17, 9.1, 9.2, 11.1, 11.4, 11.8 and 11.10 of the Loan Agreement, (B) the moneys due and to become due to the Issuer for its own account or the members, directors, officers, agents (other than the Company), servants and employees of the Issuer for their own account pursuant to Sections 2.2, 5.1(B)(2), 5.1(C), 6.4(B), 8.2, 10.2 and 10.4 of the Loan Agreement, and (C) the right to enforce the foregoing pursuant to Article X of the Loan Agreement. Notwithstanding the preceding sentence, to the extent the obligations of the Company under the Sections of the Loan Agreement listed in (A), (B) and (C) above do not relate to the payment of moneys to the Issuer for its own account or to the members,

officers, agents (other than the Company) and employees of the Issuer for their own account, such obligations, upon assignment of the Loan Agreement by the Issuer to the Holder pursuant to the Pledge and Assignment, shall be deemed to and shall constitute obligations of the Company to the Issuer and the Holder, jointly and severally, and either the Issuer or the Holder may commence an action to enforce the Company's obligations under the Loan Agreement.

SCHEDULE I
FORM OF THE BOND

THIS BOND HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THIS BOND MAY NOT BE TRANSFERRED OR PLEDGED EXCEPT UPON EITHER SUCH REGISTRATION OR AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE TOWN OF AMHERST DEVELOPMENT CORPORATION THAT REGISTRATION IS NOT REQUIRED AND THAT SUCH TRANSFER OR PLEDGE WILL NOT RESULT IN A VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED.

TOWN OF AMHERST DEVELOPMENT CORPORATION
TAX-EXEMPT REVENUE BOND
(BEECHWOOD HEALTH CARE CENTER, INC. PROJECT),
SERIES 2017

NO.: 2017R-1

DATED DATE: September __, 2017

PRINCIPAL AMOUNT: \$9,675,000

MATURITY DATE: January 1, 2040, except as provided below

TOWN OF AMHERST DEVELOPMENT CORPORATION (the “Issuer”), a not-for-profit corporation organized and existing under the laws of the State of New York (the “State”), acknowledges itself indebted and for value received does hereby promise to pay, but solely from the sources and as hereinafter provided, to M&T BANK, and its registered successors or assigns as holder of this Bond (the “Holder”), the Principal Amount set forth above (subject to reduction as hereinafter set forth) and interest thereon, or on so much thereof as is from time to time outstanding and unpaid hereunder (hereinafter called the “Principal Balance”) (determined as of the close of each day), computed as set forth below, from the Dated Date set forth above, or from the most recent Bond Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the Bond Rate (as hereinafter defined), on each Bond Payment Date (as hereinafter defined) until such Principal Balance is paid in full, as follows:

SECTION 1. DEFINITIONS. (A) Except as defined in subsection (B) hereof, all terms used herein with initial capitalization where the rules of grammar or context do not otherwise require and not otherwise defined herein shall have the meanings ascribed to such terms in the bond purchase and disbursing agreement dated as of September 1, 2017 (as the same may be amended or supplemented from time to time, the “Bond Purchase Agreement”) by and among (1) the Issuer, (2) Beechwood Health Care Center, Inc., a New York not-for-profit corporation (the “Company”), (3) the Holder and (4) M&T Bank, as disbursing agent thereunder (the “Disbursing Agent”).

(B) The following words and terms used in this Bond shall have the following meanings unless the context or use indicates another or different meaning or intent:

Bank Purchase Tender Date” means October 1, 2027, as the same may be extended pursuant to Section 502(B)(3) of the Bond Purchase Agreement.

“Bond Payment Date” means the first Business Day of October, 2017 and the first Business Day of each calendar month thereafter on which a Debt Service Payment shall be payable on this Bond according to its terms, so long as this Bond is outstanding.

“Bond Rate” means (A) prior to the occurrence of an Event of Taxability, the Tax-Exempt Bond Rate, and (B) following the occurrence of an Event of Taxability, the Taxable Bond Rate; provided, however, that whenever any Event of Default shall have occurred, interest on the Bond shall accrue at the Default Bond Rate. “

“Business Day” means a day other than (A) a Saturday or Sunday or (B) any day on which commercial banks in New York, New York are required or authorized by law to close.

“Closing Date” means the Dated Date of this Bond set forth above, being the date of issuance of this Bond by the Issuer and the sale of this Bond to the Holder pursuant to the provisions of the Bond Purchase Agreement.

“Company” means Beechwood Health Care Center, Inc., a New York not-for-profit corporation, and its successors and assigns, to the extent permitted by Section 8.4 of the Loan Agreement.

“Default Bond Rate” means a per annum rate of interest equal to the Taxable Bond Rate plus five percent (5%); provided, however, that such interest rate shall in no event exceed the maximum interest rate which the Company may by law pay.

“Event of Taxability” shall have the meaning assigned to such term in the Bond Purchase Agreement.

“Event of Default” shall have the meaning assigned to such term in the Bond Purchase Agreement.

“Financing Documents” shall have the meaning assigned to such term in the Bond Purchase Agreement.

“Holder Basis Points Adjustment” means (a) while the Bond Rate is at the Tax-Exempt Rate (i) 120 basis points, or (ii) in connection with determining the Bond Rate to be applicable on and after the Bank Purchase Tender Date then in effect, such other amount as determined by the Holder, in its absolute discretion, and (b) while the Bond Rate is at the Taxable Rate, (i) 175 basis points, or (ii) in connection with determining the Bond Rate to be applicable on and after the Bank Purchase Tender Date then in effect, such other amount as determined by the Holder, in its absolute discretion.

“LIBOR Rate” means a rate determined by the Holder equal to (A) the average rate (rounded upwards to the nearest 1/16th) as shown by Reuters at which deposits in U.S. dollars are offered by first class banks in the London Interbank Market at approximately 11:00 a.m. (London time) on the day that is two (2) London Business Days prior to the first day of such LIBOR Rate Period with a maturity of one month and in an amount approximately equal to the amount to which such LIBOR Rate Period relates, divided by (B) a percentage equal to one hundred percent (100%) minus the Reserve Percentage for such LIBOR Rate Period, adjusted for reserves and taxes if required by future regulations. If Reuters no longer reports such rate or the Holder determines in good faith that the rate so reported no longer accurately reflects the rate available to the Bondholder in the London Interbank Market, the Holder may select a replacement index. Notwithstanding any provision above, the practice of rounding to determine LIBOR may be discontinued at any time in the Holder’s sole discretion and, so long as a “Swap” (as hereinafter

defined) is in effect, the Holder will exercise its discretion to discontinue the practice of rounding. In the event the applicable London Interbank Offered Rate index (“Index”) utilized for determining the LIBOR Rate shall, at any time, be less than zero, such Index shall be deemed to be zero (0.00) for all purposes herein (“Negative Index Restriction”). Notwithstanding the foregoing, to the extent an interest rate swap agreement (“Swap”) between the Company and the Holder shall at any time be in effect in connection with the indebtedness evidenced by this Bond and/or the Loan Agreement, the Negative Index Restriction shall not apply to such indebtedness during such period as the Swap is in effect; provided, however, at such time and to the extent such Swap is terminated, cancelled or otherwise not in effect, the Negative Index Restriction shall be deemed reinstated.

“LIBOR Rate Period” means (A) initially, the period beginning on (and including) September 14, 2017, and ending on (but excluding) the first Business Day of October, 2017; and (B) thereafter, each period commencing at the end of the next preceding LIBOR Rate Period and ending on (but excluding) the first Business Day one month thereafter.

“London Business Day” means any day on which dealings in United States dollar deposits are carried on by banking institutions in the London interbank market.

“Maturity Date” means January 1, 2040.

“National Prime Rate” means a per annum rate of interest equal to the highest “prime rate” of interest quoted, from time to time, in the Money Rates column of the Wall Street Journal as the “base rate on corporate loans at large U.S. money center commercial banks”, provided, however, that in the event that the Wall Street Journal does not publish the National Prime Rate, the National Prime Rate shall be the per annum rate of interest quoted as the “Bank Prime Loan Rate” for “this week” in Statistical Release H.15(519) published from time to time by the Board of Governors of the Federal Reserve System calculated on actual days elapsed in a year of 360 days, such rate to be adjusted each Business Day based on the National Prime Rate as reported for the previous Business Day. For any period during which the Holder is M&T Bank, the National Prime Rate shall mean the rate of interest announced by M&T Bank each day as its prime rate of interest. Any provisions to the contrary notwithstanding, in no event shall the National Prime Rate be established beyond the maximum rate allowed by law.

“Principal Balance” means, on any date of determination, the outstanding principal balance due and owing on this Bond on such date.

“Reserve Percentage” means for any LIBOR Rate Period, that percentage which is specified three (3) Business Days before the first day of such LIBOR Rate Period by the Board of Governors of the Federal Reserve System (or any successor) or any other governmental or quasi-governmental authority with jurisdiction over the Holder for determining the maximum reserve requirement (including, but not limited to, any marginal reserve requirement) for the Holder with respect to liabilities constituting or including (among other liabilities) Eurocurrency liabilities in an amount equal to that portion of the Loan affected by such LIBOR Rate Period and with a maturity equal to such LIBOR Rate Period.

“Tax-Exempt Bond Rate” means (A) prior to October 1, 2027, a variable interest rate equal to seventy percent (70%) of the 1-month LIBOR, plus 120 basis points, and (B) on and after October 1, 2027 and any Bank Purchase Tender Date thereafter, a variable interest rate equal to seventy percent (70%) of the 1-month LIBOR, plus the Holder Basis Points Adjustment; provided, however:

(a) If the Holder shall determine that for any reason adequate and reasonable means do not exist for ascertaining LIBOR, the Holder will give notice of such determination to the

Company. Thereafter, the Holder may not maintain the Tax-Exempt Bond Rate based upon LIBOR until the Holder revokes such notice in writing and, until such revocation, the Holder may convert the applicable interest rate to seventy percent (70%) of the National Prime Rate, plus 120 basis points; and

(b) If the Holder shall determine that the introduction of any law (statutory or common), treaty, rule, regulation, guideline or determination of an arbitrator or of a Governmental Authority or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other governmental authority has asserted that it is unlawful for the Holder to make LIBOR-based loans, then, on notice thereof by the Holder to the Company, the Holder may suspend the maintaining of the Tax-Exempt Bond Rate based upon LIBOR until the Holder shall have notified the Company that the circumstances giving rise to such determination shall no longer exist. If the Holder shall determine that it is unlawful to maintain the Tax-Exempt Bond Rate based upon LIBOR, the Holder may convert the applicable interest rate to seventy percent (70%) of the National Prime Rate, plus 120 basis points.

“Taxable Bond Rate” means (A) prior to October 1, 2027, a variable interest rate equal to the 1-month LIBOR, plus 175 basis points, and (B) on and after October 1, 2027 and any Bank Purchase Tender Date thereafter, a variable interest rate equal to the 1-month LIBOR, plus the Holder Basis Points Adjustment; provided, however:

(a) If the Holder shall determine that for any reason adequate and reasonable means do not exist for ascertaining LIBOR, the Holder will give notice of such determination to the Company. Thereafter, the Holder may not maintain the Taxable Bond Rate based upon LIBOR until the Holder revokes such notice in writing and, until such revocation, the Holder may convert the applicable interest rate to the National Prime Rate, plus 175 basis points.; and

(b) If the Holder shall determine that the introduction of any law (statutory or common), treaty, rule, regulation, guideline or determination of an arbitrator or of a Governmental Authority or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other governmental authority has asserted that it is unlawful for the Holder to make LIBOR-based loans, then, on notice thereof by the Holder to the Company, the Holder may suspend the maintaining of the Taxable Bond Rate based upon LIBOR until the Holder shall have notified the Company that the circumstances giving rise to such determination shall no longer exist. If the Holder shall determine that it is unlawful to maintain the Taxable Bond Rate based upon LIBOR, the Holder may convert the applicable interest rate to the National Prime Rate, plus 175 basis points.

SECTION 2. PAYMENTS; LATE PAYMENT CHARGE. (A) Principal and interest on this Bond shall be payable as follows:

(1) Interest on the unpaid Principal Balance of this Bond shall accrue at a rate equal to the Bond Rate for the period commencing on the Closing Date of this Bond and ending on the date that this Bond is paid in full.

(2) Commencing on October 2, 2017 and continuing on the first Business Day of each month thereafter until this Bond shall be paid in full, monthly payments of principal and interest payments shall be made on this Bond, in an amount sufficient to fully amortize at the Bond Rate the outstanding Principal Balance due on this Bond over a term ending on the Maturity Date and as more particularly set forth in the amortization schedule attached hereto as Schedule

A. Upon any change in the Bond Rate and/or in the outstanding principal balance of this Bond, the Holder shall inform the Company of the change in the monthly payments to be due on this Bond, based upon either such change in the Bond Rate and/or upon such change in the outstanding principal balance of this Bond on such date. Such payments shall be applied first to the payment of unpaid interest due on this Bond and then to the payment of the unpaid Principal Balance of this Bond.

(3) Notwithstanding anything herein to the contrary, on the Maturity Date of this Bond, an amount equal to the entire unpaid Principal Balance of this Bond, together with any accrued but unpaid interest thereon and any and all other sums and amounts due and owing to the Holder pursuant to any of the Financing Documents, shall become due and payable on this Bond.

(B) Interest shall be payable on the basis of a 360 day year for the actual number of days elapsed.

(C) If any payment of this Bond becomes due and payable on any day that is not a Business Day, the maturity or interest due date shall be extended to the next succeeding Business Day, and interest shall be payable during such extension at the Bond Rate specified herein.

(D) In the event any payment related to this Bond or of principal or interest due on this Bond shall not be received by the Holder on or before the Bond Payment Date, the Issuer shall pay the Holder a late payment charge in an amount equal to five percent (5%) of any such overdue payment.

(E) Payment of the principal of, premium, if any, and interest on this Bond shall be made at the office of the Issuer, currently located at the 4287 Main Street, Amherst, New York 14226, or at such other place as may be agreed upon in advance by the Issuer, the Company and the Holder. So long as M&T Bank, shall be the sole holder of this Bond, such payments shall be sent to M&T Bank at M&T Center, One Fountain Plaza, Buffalo, New York 14203, or at such other address as M&T Bank may designate to the Issuer and the Company in writing.

(F) The principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America which at the time of payment is lawful tender for the payment of public and private debts and in immediately available funds.

(G) As provided in Article V of the Bond Purchase Agreement, the Bond Rate shall convert to the Taxable Bond Rate upon the occurrence of any Event of Taxability, as provided in Section 505 of the Bond Purchase Agreement. In addition, upon the occurrence of an Event of Default, the Issuer may be obligated to make certain additional payments to the Holder, as provided in Section 505 of the Bond Purchase Agreement.

(H) As provided in Article VI of the Bond Purchase Agreement, the Bond Rate shall convert to the Default Bond Rate upon the occurrence of any Event of Default, as provided in Section 602 of the Bond Purchase Agreement. In addition, upon the occurrence of an Event of Default, the Issuer may be obligated to make certain additional payments to the Holder, as provided in Section 602(C) of the Bond Purchase Agreement.

(I) Notwithstanding anything herein to the contrary, the interest rate borne by this Bond shall not exceed the maximum permitted by, or enforceable under, applicable law.

SECTION 3. THE PROJECT. This Bond is issued pursuant to a bond resolution duly adopted by the members of the Issuer on July 21, 2017 (the “Bond Resolution”) and the Bond Purchase Agreement for the purpose of financing a project (the “Project”) consisting of following: (A) (1) the financing of all or a portion of the costs of (a) the renovation and reconstruction of portions of the existing buildings constituting a 272-bed skilled nursing facility which provides both long term care programs and short term care sub-acute services and containing in the aggregate approximately 325,000 square feet of space (collectively, the “Facility”) located on a parcel of real estate containing approximately 16.346 acres and having an address of 2235 Millersport Highway in the Town of Amherst, Erie County, New York (the “Land”), and (b) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), and (2) the refunding, in whole or in part, of the Town of Amherst Industrial Development Agency’s Tax-Exempt Civic Facility Revenue Bonds (Beechwood Health Care Center, Inc. Project), Series 2006A in the original aggregate principal amount of \$14,860,000 (the “Prior Bonds”), which Prior Bonds were issued on January 18, 2007 to undertake the following project (the “Prior Project”): (a) the financing of prior capital projects relating to the Project Facility, including, but not limited, to the reconstruction and renovation of the Facility, the construction of additions to the Facility and the acquisition and installation of machinery and equipment, and (b) the refinancing of certain indebtedness incurred by the Company in undertaking certain capital improvements at the Project Facility; (B) the financing of all or a portion of the costs of the foregoing by the issuance of this Bond; (C) paying a portion of the costs incidental to the issuance of the Bond, including issuance costs of the Bond and any reserve funds as may be necessary to secure the Bond.

SECTION 4. SECURITY; DOCUMENTS. (A) This Bond is secured by (1) the Mortgage, (2) the Pledge and Assignment, and (3) the other Financing Documents as defined in the Bond Purchase Agreement.

(B) This Bond is being purchased by the Holder pursuant to the terms of the Bond Purchase Agreement, which provides, among other things, that the Disbursing Agent shall disburse the proceeds of the sale of this Bond from the Project Fund to pay certain Costs of the Project, but only upon the satisfaction of the requirements set forth in the Bond Purchase Agreement and the Loan Agreement for making such disbursements.

(C) All payments made on the Bond by or on behalf of the Issuer or the Company to the Holder, or to its successors or assigns, or upon its or their order, pursuant to the Loan Agreement, the Pledge and Assignment, the Mortgage or the other Financing Documents shall, to the extent of the sum or sums so paid, satisfy and discharge the liability of the Issuer upon this Bond or under the Bond Purchase Agreement, as the case may be.

(D) Reference is hereby made to each of the Financing Documents and to all amendments and supplements thereto, copies of which are and will be on file at the office of the Holder currently located at One M&T Center, 12th Floor, Buffalo, New York 14203 for a description of the rights, duties and obligations of the Issuer, the Company and the Holder and the terms upon which this Bond is or may be secured. By acceptance of this Bond, the Holder hereof assents to all the provisions of the Financing Documents and to all amendments and supplements thereto made in accordance with the provisions thereof.

SECTION 5. DEFAULT; REMEDIES; COSTS. (A) The outstanding Principal Balance of this Bond shall become immediately due and payable at the option of the Holder on the happening of an “Event of Default”, as defined in the Bond Purchase Agreement.

(B) The Issuer promises and agrees to pay immediately upon demand all costs and expenses of the Holder including reasonable attorney's fees, court costs and title search expenses (1) if after default this Bond be placed in the hands of an attorney or attorneys for collection, whether or not an action or proceeding is pending, or (2) if the Holder seeks to have the Mortgaged Property abandoned by or reclaimed from any estate in bankruptcy, or attempts to have any stay or injunction prohibiting the enforcement or collection of this Bond, prohibiting the foreclosure of the Mortgage, or prohibiting the enforcement of the Mortgage or any other agreement evidencing or securing this Bond lifted by any bankruptcy or other court.

(C) If the Holder shall be made a party to or shall intervene in any action or proceeding, whether in court or before any governmental agency, affecting the Mortgaged Property or the title hereto, or the interest of the Holder under the Mortgage, including without limitation, any form of condemnation or eminent domain proceeding, the Holder shall be reimbursed by the Company, immediately upon demand, for all costs, charges and reasonable attorneys' fees incurred by the Holder in any such case, together with interest thereon at the Default Interest Rate from the date incurred by the Holder until paid by the Company, and the same shall be secured by the Mortgage as a further charge and lien upon the Mortgaged Property.

SECTION 6. WAIVER. (A) To the extent provided by law, the Issuer, and all endorsers hereof, and all others who may become liable for all or any part of the obligations evidenced hereby, hereby waive and renounce (1) any and all homestead and exemption rights, (2) the benefits of all valuation and appraisal privileges as against the indebtedness evidenced by this Bond and any renewal or extension thereof, (3) presentment for payment, demand, protest, notice of non-payment, demand and dishonor and all other notices and any and all lack of diligence or delays in collections or enforcement hereof and (4) the right to plead any and all statutes of limitations as a defense to any demand on this Bond or under the Mortgage.

(B) The Issuer expressly consents to any extension of time, release of any party liable for the obligations evidenced hereby, release of any of the security for this Bond, acceptance of other security for this Bond, acceptance of other security herefor or any other indulgence or forbearance which the Issuer agrees may be made without notice to any party and without in any way affecting the liability of any party hereunder or under the Mortgage.

(C) Failure to accelerate the indebtedness evidenced by this Bond by reason of default hereunder or under the Mortgage, or the acceptance of a past due installment of interest and/or principal hereunder, shall not be construed (1) as a novation of this Bond or as a waiver of such right of acceleration or of the right of the Holder hereof thereafter to insist upon strict compliance with the terms of this Bond or (2) so as to prevent the exercise of such right of acceleration or any other right granted hereunder or under the Mortgage or by the laws of the State of New York. The Issuer hereby expressly waives the benefit of any statute or rule of law or equity now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the foregoing. No extension of time for the payment of this Bond shall operate so as to release, discharge, modify, change or affect the original liability of the Issuer under this Bond, either in whole or in part, unless the Holder agrees otherwise in writing.

SECTION 7. SPECIAL OBLIGATION. (A) This Bond is a special obligation of the Issuer and is payable solely out of the revenues and other monies derived from the Loan Agreement and as otherwise provided in the Bond Resolution, the Bond Purchase Agreement, the Loan Agreement, the Pledge and Assignment, the Mortgage and the other Financing Documents.

(B) NEITHER THE MEMBERS, DIRECTORS, OFFICERS, AGENTS (OTHER THAN THE COMPANY), SERVANTS OR EMPLOYEES OF THE ISSUER, NOR ANY PERSON EXECUTING THIS BOND ON BEHALF OF THE ISSUER, SHALL BE LIABLE PERSONALLY ON THIS BOND OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BY REASON OF THE ISSUANCE, SALE OR DELIVERY HEREOF OR BE SUBJECT TO ANY PERSONAL LIABILITY OR ACCOUNTABILITY BASED HEREON. NO COVENANT OR AGREEMENT CONTAINED IN THIS BOND, THE MORTGAGE, THE LOAN AGREEMENT, THE BOND PURCHASE AGREEMENT OR THE OTHER FINANCING DOCUMENTS SHALL BE DEEMED TO BE THE COVENANT OR AGREEMENT OF ANY MEMBER, DIRECTOR, OFFICER, AGENT (OTHER THAN THE COMPANY), SERVANT OR EMPLOYEE OF THE ISSUER IN HIS INDIVIDUAL CAPACITY. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM (IF ANY) OR INTEREST ON THIS BOND, OR FOR ANY CLAIM BASED HEREON OR ON THE BOND PURCHASE AGREEMENT, THE MORTGAGE, THE LOAN AGREEMENT OR THE OTHER FINANCING DOCUMENTS, AGAINST ANY MEMBER, DIRECTOR, OFFICER, AGENT (OTHER THAN THE COMPANY), SERVANT OR EMPLOYEE, PAST, PRESENT OR FUTURE, OF THE ISSUER, OR OF ANY SUCCESSOR CORPORATION, AS SUCH, EITHER DIRECTLY OR THROUGH THE ISSUER OR ANY SUCH SUCCESSOR CORPORATION, WHETHER BY VIRTUE OF ANY CONSTITUTIONAL PROVISION, STATUTE OR RULE OF LAW, OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR PENALTY, OR OTHERWISE, ALL SUCH LIABILITY OF SUCH MEMBERS, DIRECTORS, OFFICERS, AGENTS (OTHER THAN THE COMPANY), SERVANTS OR EMPLOYEES BEING WAIVED AND RELEASED, TO THE EXTENT PERMITTED BY LAW, AS A CONDITION OF, AND AS CONSIDERATION FOR, THE EXECUTION AND DELIVERY OF THIS BOND, THE MORTGAGE, THE LOAN AGREEMENT, THE BOND PURCHASE AGREEMENT AND THE OTHER FINANCING DOCUMENTS.

(C) THIS BOND IS NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, A DEBT OF THE STATE OF NEW YORK, THE TOWN OF AMHERST, NEW YORK, AND NEITHER THE STATE OF NEW YORK, THE TOWN OF AMHERST, NEW YORK SHALL BE LIABLE HEREON.

SECTION 8. TRANSFERENCE. (A) This Bond shall be transferable only upon the books of the Issuer maintained at the office of M&T Bank, as bond registrar (the "Bond Registrar") for the Issuer, currently located at M&T Center, One Fountain Plaza, Buffalo, New York, 14203 or at the office of any successor Bond Registrar, by the Holder in person or by its attorney duly authorized in writing, upon surrender of this Bond together with (1) a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner of this Bond or by such duly authorized attorney, (2) the execution and delivery to the transferee of this Bond by such registered owner or by such duly authorized attorney of written instruments effecting the assignment and transfer of the Mortgage and the other Financing Documents to the transferee of this Bond, (3) except with respect to the transfer of the Bond to a Financial Company, the delivery to the Issuer and the Company of an opinion of counsel reasonably satisfactory to the Issuer and the Company that such transfer will not require registration of this Bond under any securities law (or proof of registration under such securities laws), (4) except with respect to the transfer of the Bond to a Financial Company, the delivery to the Issuer of a certificate from the proposed transferee to the effect that the proposed transferee has been provided with all requested disclosure information by the Company and (5) the payment to the Bond Registrar of an amount equal to the costs of effecting such transfer and any tax, fee or other governmental charge required to be paid with respect to such transfer. No such transfer of this Bond shall be valid unless made on such books and similarly noted by endorsement of the Bond Registrar on this Bond, or unless, at the expense of the registered owner of this Bond, the Issuer shall execute and deliver a new Bond registered in the name of the transferee.

(B) The Issuer may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond shall be overdue or not, for the purpose of receiving payment, including prepayment, of the principal of and interest on this Bond and for all other purposes. All such payments so made to the registered owner shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid, and the Issuer shall not be affected by any notice to the contrary.

SECTION 9. PREPAYMENT. (A) This Bond may be prepaid at any time prior to maturity in whole or in part at the option of either the Company or the Issuer upon the direction of the Company with thirty (30) days prior written notice to the Holder at a prepayment price equal to one hundred percent (100%) of the principal amount so prepaid, plus accrued interest to the date of such prepayment.

(B) This Bond shall also be subject to mandatory prepayment, in whole, at the option of the Holder, at a prepayment price equal to one hundred percent (100%) of the outstanding Principal Balance of the Bond, together with accrued interest to the date of prepayment, upon the occurrence of an Event of Taxability or an Event of Default.

(C) If (i) the Company prepays, in whole or in part, any principal amount, when the Bond Rate based upon LIBOR is in effect (other than on a Bond Payment Date), or (ii) the Bond Rate is converted to be based upon the National Prime Rate on any day other than a Bond Payment Date, then the Company shall also be liable for and shall pay the Holder, on demand, the higher of \$250.00 or the actual amount of the liabilities, expenses, costs or funding losses that are a direct or indirect result of such prepayment or other condition described above, whether such liability, expense, cost or loss is by reason of (a) any reduction in yield, by reason of the liquidation or reemployment of any deposit or other funds acquired by the Holder, (b) the fixing of the interest rate payable on any LIBOR-based loan or (c) otherwise (collectively, the "Breakage Fee"). The determination by the Holder of the foregoing amount shall, in the absence of manifest error, be conclusive and binding upon the Issuer and the Company.

SECTION 10. MANDATORY TENDER AND PURCHASE. This Bond is subject to automatic mandatory tender and purchase on the Bank Purchase Tender Date without notice or demand by the Holder as follows:

(A) The purchase price shall be 100% of the outstanding principal amount of this Bond plus accrued interest to the Bank Purchase Tender Date together with any and all other sums and amounts due and payable to the Holder under the Financing Documents.

(B) The Holder shall deliver the Bond (with an appropriate transfer of registration form executed in blank) at the designated corporate office of the Disbursing Agent at or before 10:00 o'clock a.m., New York time, on the Bank Purchase Tender Date.

(C) Notwithstanding the foregoing, the Company may, at its sole option, request that the Holder extend the Bank Purchase Tender Date by giving written notice to the Issuer and the Holder not less than one hundred fifty (150) days prior to the Bank Purchase Tender Date then in effect. In such event, the Holder may, at its sole option and in its sole discretion, by giving written notice to the Company and the Issuer (the "Holder's Notice") no later than one hundred and twenty (120) days prior to the Bank Purchase Tender Date then in effect, offer to extend the Bank Purchase Tender Date, which notice from the Holder shall specify (i) the date to which the Holder proposes to extend the Bank Purchase Tender Date, and (ii) the new Tax-Exempt Bond Rate the Holder proposes to take effect on and after the Bank Purchase Tender Date then in effect. If the Company gives written notice to the Issuer and the Holder no later than ninety (90) days prior to the Bank Purchase Tender Date then in effect that it

elects to accept the Holder's offer to extend the Bank Purchase Tender Date on the terms set forth in the Holder's Notice, the extended Bank Purchase Tender Date and the new Bond Rate, as set forth in the Holder's Notice, shall take effect on the Bank Purchase Tender Date then in effect, provided that there shall be delivered to the Issuer, the Company and the Holder prior to the Bank Purchase Tender Date then in effect an opinion of Bond Counsel in form and substance satisfactory to the Holder to the effect that the extension of the Bank Purchase Tender Date and/or the adoption of the new Tax-Exempt Bond Rate will not adversely affect the exclusion of interest on the Bond from gross income for federal income tax purposes. In the event (x) the Company requests that the Holder extend the Bank Purchase Tender Date as hereinbefore set forth in this paragraph (C) and (i) the Holder fails or refuses to give the Holder's Notice as hereinbefore set forth in this paragraph (C), or (ii) the Company fails or refuses to accept the Holder's offer set forth in the Holder's Notice as hereinbefore set forth in this paragraph (C), or (y) the opinion of Bond Counsel hereinbefore set forth in this paragraph (C) is not delivered to the Holder prior to the Bank Purchase Tender Date then in effect, then, in any such event, this Bond shall be subject to automatic mandatory tender and purchase on the Bank Purchase Tender Date then in effect without further notice or demand by the Holder and the provisions of paragraphs (A) and (B) of this Section 10 shall be applicable and remain in full force and effect.

SECTION 11. COVENANT AGAINST USURY. Notwithstanding anything herein or in the Mortgage or in any related document to the contrary, it is not the intention of the Holder to charge nor shall there at any time be charged or become due and payable hereunder or under the Mortgage any interest which would result in a rate of interest being charged which is in excess of the maximum rate permitted to be charged by law. This Bond is subject to the express condition that at no time shall the Issuer be obligated or required to pay interest on the outstanding principal balance of this Bond at a rate which could subject the Holder to either civil or criminal liability as a result of being in excess of the maximum rate which the Issuer is permitted by law to contract or agree to pay. If, by the terms of this Bond, the Issuer is at any time required or obligated to pay interest on the outstanding Principal Balance of this Bond at a rate in excess of such maximum rate, the rate of interest under this Bond shall be deemed to be immediately reduced to such maximum rate and interest payable hereunder shall be computed at such maximum rate, and the portion of all prior interest payments in excess of such maximum rate shall be applied and shall immediately upon discovery thereof, be deemed to have been a prepayment of principal (which prepayment shall be permitted, and be without premium or penalty) as of the date of such receipt, and all payments made thereafter shall be approximately reapplied to interest and principal to give effect to the maximum rate permitted by law and, after such reapplication, any excess payment shall be immediately refunded to the Company.

SECTION 12. MISCELLANEOUS. (A) This Bond shall be binding upon the Issuer, its successors and assigns and shall inure to the benefit of the Holder and its successors and assigns.

(B) This Bond shall be construed in accordance with the laws of the State. Any suit, action or other legal proceeding arising out of this Bond may be brought in the courts of the State located in Erie County, New York or the courts of the United States located within the Western District of New York.

(C) This Bond may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.

(D) The representatives of the Issuer subscribing below represent that they have full power, authority and legal right to execute and deliver this Bond and that the debt hereunder constitutes a valid binding special obligation of the Issuer.

(E) It is hereby certified, recited and declared that all conditions, acts and things required by law, the Bond Resolution and the Bond Purchase Agreement to exist, to have happened and to have been performed precedent to and in the issuance, execution and delivery of this Bond do exist, have happened and have been performed and that the issuance of this Bond, together with all other obligations of the Issuer, does not exceed or violate any constitutional, corporate or statutory limitations.

IN WITNESS WHEREOF, TOWN OF AMHERST DEVELOPMENT CORPORATION has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman, Vice Chairman or Chief Executive Officer and its corporate seal to be hereunto affixed, impressed, imprinted or otherwise reproduced hereon and attested by the manual or facsimile signature of its Secretary or Assistant Secretary, all as of the dated date set forth above.

TOWN OF AMHERST DEVELOPMENT CORPORATION

BY: _____
Chief Executive Officer

-SEAL-

ATTEST:

(Assistant) Secretary

REGISTRATION

DATE OF REGISTRATION	REGISTERED IN WHOSE NAME	BOND REGISTRAR

[Form of Assignment for Transfer]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto (please insert name, address and social security or tax identification number of assignee: _____) the within Bond and does hereby irrevocably constitute _____ and _____ appoint _____ to transfer the said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

NOTICE: The signature(s) on this assignment must correspond with the name(s) as it (they) appear(s) on the fact of the within Bond in every particular.

In the presence of:

SCHEDULE A
AMORTIZATION TABLE

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2017	81,250.00	2.670%	12,198.56	93,448.56	
11/01/2017	81,250.00	2.670%	21,346.09	102,596.09	
12/01/2017	81,250.00	2.670%	21,165.31	102,415.31	
01/01/2018	81,250.00	2.670%	20,984.53	102,234.53	400,694.49
02/01/2018	71,666.75	2.670%	20,803.76	92,470.51	
03/01/2018	71,666.67	2.670%	20,644.30	92,310.97	
04/01/2018	71,666.67	2.670%	20,484.84	92,151.51	
05/01/2018	71,666.67	2.670%	20,325.38	91,992.05	
06/01/2018	71,666.67	2.670%	20,165.92	91,832.59	
07/01/2018	71,666.67	2.670%	20,006.46	91,673.13	
08/01/2018	71,666.67	2.670%	19,847.00	91,513.67	
09/01/2018	71,666.67	2.670%	19,687.54	91,354.21	
10/01/2018	71,666.67	2.670%	19,528.09	91,194.76	
11/01/2018	71,666.67	2.670%	19,368.63	91,035.30	
12/01/2018	71,666.67	2.670%	19,209.17	90,875.84	
01/01/2019	71,666.55	2.670%	19,049.71	90,716.26	1,099,120.80
02/01/2019	73,750.00	2.670%	18,890.25	92,640.25	
03/01/2019	73,750.00	2.670%	18,726.16	92,476.16	
04/01/2019	73,750.00	2.670%	18,562.06	92,312.06	
05/01/2019	73,750.00	2.670%	18,397.97	92,147.97	
06/01/2019	73,750.00	2.670%	18,233.87	91,983.87	
07/01/2019	73,750.00	2.670%	18,069.78	91,819.78	
08/01/2019	73,750.00	2.670%	17,905.69	91,655.69	
09/01/2019	73,750.00	2.670%	17,741.59	91,491.59	
10/01/2019	73,750.00	2.670%	17,577.50	91,327.50	
11/01/2019	73,750.00	2.670%	17,413.40	91,163.40	
12/01/2019	73,750.00	2.670%	17,249.31	90,999.31	
01/01/2020	73,749.96	2.670%	17,085.21	90,835.17	1,100,852.75
02/01/2020	75,000.00	2.670%	16,921.13	91,921.13	
03/01/2020	75,000.00	2.670%	16,754.25	91,754.25	
04/01/2020	75,000.00	2.670%	16,587.38	91,587.38	
05/01/2020	75,000.00	2.670%	16,420.50	91,420.50	
06/01/2020	75,000.00	2.670%	16,253.63	91,253.63	
07/01/2020	75,000.00	2.670%	16,086.75	91,086.75	
08/01/2020	75,000.00	2.670%	15,919.88	90,919.88	
09/01/2020	75,000.00	2.670%	15,753.00	90,753.00	
10/01/2020	75,000.00	2.670%	15,586.13	90,586.13	
11/01/2020	75,000.00	2.670%	15,419.25	90,419.25	
12/01/2020	75,000.00	2.670%	15,252.38	90,252.38	
01/01/2021	74,999.96	2.670%	15,085.50	90,085.46	1,092,039.74
02/01/2021	77,500.00	2.670%	14,918.63	92,418.63	
03/01/2021	77,500.00	2.670%	14,746.18	92,246.18	
04/01/2021	77,500.00	2.670%	14,573.75	92,073.75	
05/01/2021	77,500.00	2.670%	14,401.31	91,901.31	
06/01/2021	77,500.00	2.670%	14,228.87	91,728.87	
07/01/2021	77,500.00	2.670%	14,056.44	91,556.44	
08/01/2021	77,500.00	2.670%	13,884.00	91,384.00	
09/01/2021	77,500.00	2.670%	13,711.56	91,211.56	
10/01/2021	77,500.00	2.670%	13,539.13	91,039.13	
11/01/2021	77,500.00	2.670%	13,366.69	90,866.69	
12/01/2021	77,500.00	2.670%	13,194.25	90,694.25	

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2022	77,500.08	2.670%	13,021.82	90,521.90	1,097,642.71
02/01/2022	79,583.33	2.670%	12,849.38	92,432.71	
03/01/2022	79,583.33	2.670%	12,672.30	92,255.63	
04/01/2022	79,583.33	2.670%	12,495.23	92,078.56	
05/01/2022	79,583.33	2.670%	12,318.16	91,901.49	
06/01/2022	79,583.33	2.670%	12,141.08	91,724.41	
07/01/2022	79,583.33	2.670%	11,964.01	91,547.34	
08/01/2022	79,583.33	2.670%	11,786.94	91,370.27	
09/01/2022	79,583.33	2.670%	11,609.86	91,193.19	
10/01/2022	79,583.33	2.670%	11,432.80	91,016.13	
11/01/2022	79,583.33	2.670%	11,255.72	90,839.05	
12/01/2022	79,583.33	2.670%	11,078.64	90,661.97	
01/01/2023	79,583.33	2.670%	10,901.58	90,484.91	1,097,505.66
02/01/2023	19,166.66	2.670%	10,724.50	29,891.16	
03/01/2023	19,166.66	2.670%	10,681.85	29,848.51	
04/01/2023	19,166.66	2.670%	10,639.21	29,805.87	
05/01/2023	19,166.66	2.670%	10,596.56	29,763.22	
06/01/2023	19,166.66	2.670%	10,553.91	29,720.57	
07/01/2023	19,166.66	2.670%	10,511.27	29,677.93	
08/01/2023	19,166.66	2.670%	10,468.63	29,635.29	
09/01/2023	19,166.66	2.670%	10,425.98	29,592.64	
10/01/2023	19,166.66	2.670%	10,383.34	29,550.00	
11/01/2023	19,166.66	2.670%	10,340.69	29,507.35	
12/01/2023	19,166.66	2.670%	10,298.04	29,464.70	
01/01/2024	19,166.74	2.670%	10,255.40	29,422.14	355,879.38
02/01/2024	19,583.33	2.670%	10,212.75	29,796.08	
03/01/2024	19,583.33	2.670%	10,169.17	29,752.50	
04/01/2024	19,583.33	2.670%	10,125.61	29,708.94	
05/01/2024	19,583.33	2.670%	10,082.03	29,665.36	
06/01/2024	19,583.33	2.670%	10,038.46	29,621.79	
07/01/2024	19,583.33	2.670%	9,994.89	29,578.22	
08/01/2024	19,583.33	2.670%	9,951.31	29,534.64	
09/01/2024	19,583.33	2.670%	9,907.74	29,491.07	
10/01/2024	19,583.33	2.670%	9,864.17	29,447.50	
11/01/2024	19,583.33	2.670%	9,820.59	29,403.92	
12/01/2024	19,583.33	2.670%	9,777.02	29,360.35	
01/01/2025	19,583.37	2.670%	9,733.45	29,316.82	354,677.19
02/01/2025	20,000.00	2.670%	9,689.88	29,689.88	
03/01/2025	20,000.00	2.670%	9,645.37	29,645.37	
04/01/2025	20,000.00	2.670%	9,600.88	29,600.88	
05/01/2025	20,000.00	2.670%	9,556.38	29,556.38	
06/01/2025	20,000.00	2.670%	9,511.87	29,511.87	
07/01/2025	20,000.00	2.670%	9,467.38	29,467.38	
08/01/2025	20,000.00	2.670%	9,422.88	29,422.88	
09/01/2025	20,000.00	2.670%	9,378.37	29,378.37	
10/01/2025	20,000.00	2.670%	9,333.88	29,333.88	
11/01/2025	20,000.00	2.670%	9,289.38	29,289.38	
12/01/2025	20,000.00	2.670%	9,244.87	29,244.87	
01/01/2026	20,000.00	2.670%	9,200.38	29,200.38	353,341.52
02/01/2026	20,833.33	2.670%	9,155.88	29,989.21	
03/01/2026	20,833.33	2.670%	9,109.52	29,942.85	

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2026	20,833.33	2.670%	9,063.16	29,896.49	
05/01/2026	20,833.33	2.670%	9,016.81	29,850.14	
06/01/2026	20,833.33	2.670%	8,970.46	29,803.79	
07/01/2026	20,833.33	2.670%	8,924.10	29,757.43	
08/01/2026	20,833.33	2.670%	8,877.75	29,711.08	
09/01/2026	20,833.33	2.670%	8,831.39	29,664.72	
10/01/2026	20,833.33	2.670%	8,785.04	29,618.37	
11/01/2026	20,833.33	2.670%	8,738.69	29,572.02	
12/01/2026	20,833.33	2.670%	8,692.33	29,525.66	
01/01/2027	20,833.37	2.670%	8,645.98	29,479.35	356,811.11
02/01/2027	21,250.00	2.670%	8,599.63	29,849.63	
03/01/2027	21,250.00	2.670%	8,552.34	29,802.34	
04/01/2027	21,250.00	2.670%	8,505.07	29,755.07	
05/01/2027	21,250.00	2.670%	8,457.78	29,707.78	
06/01/2027	21,250.00	2.670%	8,410.50	29,660.50	
07/01/2027	21,250.00	2.670%	8,363.22	29,613.22	
08/01/2027	21,250.00	2.670%	8,315.94	29,565.94	
09/01/2027	21,250.00	2.670%	8,268.66	29,518.66	
10/01/2027	21,250.00	2.670%	8,221.38	29,471.38	
11/01/2027	21,250.00	2.670%	8,174.09	29,424.09	
12/01/2027	21,250.00	2.670%	8,126.82	29,376.82	
01/01/2028	21,250.00	2.670%	8,079.53	29,329.53	355,074.96
02/01/2028	21,666.67	2.670%	8,032.25	29,698.92	
03/01/2028	21,666.67	2.670%	7,984.05	29,650.72	
04/01/2028	21,666.67	2.670%	7,935.83	29,602.50	
05/01/2028	21,666.67	2.670%	7,887.63	29,554.30	
06/01/2028	21,666.67	2.670%	7,839.42	29,506.09	
07/01/2028	21,666.67	2.670%	7,791.21	29,457.88	
08/01/2028	21,666.67	2.670%	7,743.00	29,409.67	
09/01/2028	21,666.67	2.670%	7,694.79	29,361.46	
10/01/2028	21,666.67	2.670%	7,646.58	29,313.25	
11/01/2028	21,666.67	2.670%	7,598.38	29,265.05	
12/01/2028	21,666.67	2.670%	7,550.16	29,216.83	
01/01/2029	21,666.71	2.670%	7,501.96	29,168.67	353,205.34
02/01/2029	22,083.33	2.670%	7,453.75	29,537.08	
03/01/2029	22,083.33	2.670%	7,404.61	29,487.94	
04/01/2029	22,083.33	2.670%	7,355.48	29,438.81	
05/01/2029	22,083.33	2.670%	7,306.34	29,389.67	
06/01/2029	22,083.33	2.670%	7,257.21	29,340.54	
07/01/2029	22,083.33	2.670%	7,208.08	29,291.41	
08/01/2029	22,083.33	2.670%	7,158.93	29,242.26	
09/01/2029	22,083.33	2.670%	7,109.80	29,193.13	
10/01/2029	22,083.33	2.670%	7,060.67	29,144.00	
11/01/2029	22,083.33	2.670%	7,011.53	29,094.86	
12/01/2029	22,083.33	2.670%	6,962.40	29,045.73	
01/01/2030	22,083.37	2.670%	6,913.26	28,996.63	351,202.06
02/01/2030	23,333.34	2.670%	6,864.12	30,197.46	
03/01/2030	23,333.34	2.670%	6,812.21	30,145.55	
04/01/2030	23,333.34	2.670%	6,760.29	30,093.63	
05/01/2030	23,333.34	2.670%	6,708.38	30,041.72	
06/01/2030	23,333.34	2.670%	6,656.46	29,989.80	

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
07/01/2030	23,333.34	2.670%	6,604.55	29,937.89	
08/01/2030	23,333.34	2.670%	6,552.62	29,885.96	
09/01/2030	23,333.34	2.670%	6,500.70	29,834.04	
10/01/2030	23,333.34	2.670%	6,448.79	29,782.13	
11/01/2030	23,333.34	2.670%	6,396.87	29,730.21	
12/01/2030	23,333.34	2.670%	6,344.96	29,678.30	
01/01/2031	23,333.26	2.670%	6,293.04	29,626.30	358,942.99
02/01/2031	23,333.34	2.670%	6,241.12	29,574.46	
03/01/2031	23,333.34	2.670%	6,189.21	29,522.55	
04/01/2031	23,333.34	2.670%	6,137.29	29,470.63	
05/01/2031	23,333.34	2.670%	6,085.38	29,418.72	
06/01/2031	23,333.34	2.670%	6,033.46	29,366.80	
07/01/2031	23,333.34	2.670%	5,981.55	29,314.89	
08/01/2031	23,333.34	2.670%	5,929.62	29,262.96	
09/01/2031	23,333.34	2.670%	5,877.70	29,211.04	
10/01/2031	23,333.34	2.670%	5,825.79	29,159.13	
11/01/2031	23,333.34	2.670%	5,773.87	29,107.21	
12/01/2031	23,333.34	2.670%	5,721.96	29,055.30	
01/01/2032	23,333.26	2.670%	5,670.04	29,003.30	351,466.99
02/01/2032	23,750.00	2.670%	5,618.12	29,368.12	
03/01/2032	23,750.00	2.670%	5,565.28	29,315.28	
04/01/2032	23,750.00	2.670%	5,512.44	29,262.44	
05/01/2032	23,750.00	2.670%	5,459.60	29,209.60	
06/01/2032	23,750.00	2.670%	5,406.75	29,156.75	
07/01/2032	23,750.00	2.670%	5,353.91	29,103.91	
08/01/2032	23,750.00	2.670%	5,301.06	29,051.06	
09/01/2032	23,750.00	2.670%	5,248.21	28,998.21	
10/01/2032	23,750.00	2.670%	5,195.37	28,945.37	
11/01/2032	23,750.00	2.670%	5,142.53	28,892.53	
12/01/2032	23,750.00	2.670%	5,089.69	28,839.69	
01/01/2033	23,749.96	2.670%	5,036.84	28,786.80	348,929.76
02/01/2033	24,166.67	2.670%	4,984.00	29,150.67	
03/01/2033	24,166.67	2.670%	4,930.23	29,096.90	
04/01/2033	24,166.67	2.670%	4,876.46	29,043.13	
05/01/2033	24,166.67	2.670%	4,822.69	28,989.36	
06/01/2033	24,166.67	2.670%	4,768.92	28,935.59	
07/01/2033	24,166.67	2.670%	4,715.15	28,881.82	
08/01/2033	24,166.67	2.670%	4,661.37	28,828.04	
09/01/2033	24,166.67	2.670%	4,607.60	28,774.27	
10/01/2033	24,166.67	2.670%	4,553.83	28,720.50	
11/01/2033	24,166.67	2.670%	4,500.06	28,666.73	
12/01/2033	24,166.67	2.670%	4,446.29	28,612.96	
01/01/2034	24,166.59	2.670%	4,392.52	28,559.11	346,259.08
02/01/2034	25,833.33	2.670%	4,338.75	30,172.08	
03/01/2034	25,833.33	2.670%	4,281.27	30,114.60	
04/01/2034	25,833.33	2.670%	4,223.79	30,057.12	
05/01/2034	25,833.33	2.670%	4,166.32	29,999.65	
06/01/2034	25,833.33	2.670%	4,108.84	29,942.17	
07/01/2034	25,833.33	2.670%	4,051.35	29,884.68	
08/01/2034	25,833.33	2.670%	3,993.87	29,827.20	
09/01/2034	25,833.33	2.670%	3,936.39	29,769.72	

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2034	25,833.33	2.670%	3,878.92	29,712.25	
11/01/2034	25,833.33	2.670%	3,821.44	29,654.77	
12/01/2034	25,833.33	2.670%	3,763.96	29,597.29	
01/01/2035	25,833.37	2.670%	3,706.48	29,539.85	358,271.38
02/01/2035	25,833.33	2.670%	3,649.01	29,482.34	
03/01/2035	25,833.33	2.670%	3,591.52	29,424.85	
04/01/2035	25,833.33	2.670%	3,534.04	29,367.37	
05/01/2035	25,833.33	2.670%	3,476.56	29,309.89	
06/01/2035	25,833.33	2.670%	3,419.08	29,252.41	
07/01/2035	25,833.33	2.670%	3,361.61	29,194.94	
08/01/2035	25,833.33	2.670%	3,304.13	29,137.46	
09/01/2035	25,833.33	2.670%	3,246.65	29,079.98	
10/01/2035	25,833.33	2.670%	3,189.17	29,022.50	
11/01/2035	25,833.33	2.670%	3,131.68	28,965.01	
12/01/2035	25,833.33	2.670%	3,074.21	28,907.54	
01/01/2036	25,833.33	2.670%	3,016.73	28,850.06	349,994.35
02/01/2036	26,666.66	2.670%	2,959.25	29,625.91	
03/01/2036	26,666.66	2.670%	2,899.91	29,566.57	
04/01/2036	26,666.66	2.670%	2,840.58	29,507.24	
05/01/2036	26,666.66	2.670%	2,781.25	29,447.91	
06/01/2036	26,666.66	2.670%	2,721.92	29,388.58	
07/01/2036	26,666.66	2.670%	2,662.58	29,329.24	
08/01/2036	26,666.66	2.670%	2,603.25	29,269.91	
09/01/2036	26,666.66	2.670%	2,543.91	29,210.57	
10/01/2036	26,666.66	2.670%	2,484.59	29,151.25	
11/01/2036	26,666.66	2.670%	2,425.25	29,091.91	
12/01/2036	26,666.66	2.670%	2,365.92	29,032.58	
01/01/2037	26,666.74	2.670%	2,306.58	28,973.32	351,594.99
02/01/2037	27,083.33	2.670%	2,247.26	29,330.59	
03/01/2037	27,083.33	2.670%	2,186.99	29,270.32	
04/01/2037	27,083.33	2.670%	2,126.73	29,210.06	
05/01/2037	27,083.33	2.670%	2,066.47	29,149.80	
06/01/2037	27,083.33	2.670%	2,006.21	29,089.54	
07/01/2037	27,083.33	2.670%	1,945.95	29,029.28	
08/01/2037	27,083.33	2.670%	1,885.69	28,969.02	
09/01/2037	27,083.33	2.670%	1,825.43	28,908.76	
10/01/2037	27,083.33	2.670%	1,765.17	28,848.50	
11/01/2037	27,083.33	2.670%	1,704.90	28,788.23	
12/01/2037	27,083.33	2.670%	1,644.65	28,727.98	
01/01/2038	27,083.37	2.670%	1,584.39	28,667.76	347,989.84
02/01/2038	27,916.67	2.670%	1,524.13	29,440.80	
03/01/2038	27,916.67	2.670%	1,462.02	29,378.69	
04/01/2038	27,916.67	2.670%	1,399.90	29,316.57	
05/01/2038	27,916.67	2.670%	1,337.79	29,254.46	
06/01/2038	27,916.67	2.670%	1,275.67	29,192.34	
07/01/2038	27,916.67	2.670%	1,213.56	29,130.23	
08/01/2038	27,916.67	2.670%	1,151.44	29,068.11	
09/01/2038	27,916.67	2.670%	1,089.33	29,006.00	
10/01/2038	27,916.67	2.670%	1,027.21	28,943.88	
11/01/2038	27,916.67	2.670%	965.10	28,881.77	
12/01/2038	27,916.67	2.670%	902.98	28,819.65	

BOND DEBT SERVICE

Series 2006A Refi & New Money (Tax-Exempt)
 Beechwood Health Care Center - M&T (Monthly P&I)
 Prospective Series 2017 Bank Financing

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2039	27,916.63	2.670%	840.87	28,757.50	349,190.00
02/01/2039	29,166.67	2.670%	778.75	29,945.42	
03/01/2039	29,166.67	2.670%	713.86	29,880.53	
04/01/2039	29,166.67	2.670%	648.96	29,815.63	
05/01/2039	29,166.67	2.670%	584.07	29,750.74	
06/01/2039	29,166.67	2.670%	519.17	29,685.84	
07/01/2039	29,166.67	2.670%	454.28	29,620.95	
08/01/2039	29,166.67	2.670%	389.38	29,556.05	
09/01/2039	29,166.67	2.670%	324.48	29,491.15	
10/01/2039	29,166.67	2.670%	259.58	29,426.25	
11/01/2039	29,166.67	2.670%	194.69	29,361.36	
12/01/2039	29,166.67	2.670%	129.79	29,296.46	
01/01/2040	29,166.71	2.670%	64.90	29,231.61	355,061.99
	9,675,000.00		2,210,749.08	11,885,749.08	11,885,749.08

EXHIBIT A
DESCRIPTION OF THE LAND

- SEE ATTACHED -

ALL THAT TRACT OR PARCEL OF LAND situate in the Town of Amherst, County of Erie and State of New York, and being part of Lot No. 68, Township 12, and Range 7 of the Holland Land Company's Survey (so-called) and bounded and described as follows:

Beginning at a point on the westerly line of Stahl Road (66.0 feet wide) at the northeast corner of lands conveyed to Niagara Frontier Nursing Home Company, Inc., by deed recorded in the Erie County Clerk's Office in Liber 7828 of Deeds at page 163;

Running thence southerly, along the westerly line of said Stahl Road a distance of 528.29 feet to a point;

Running thence westerly, forming an interior angle of $94^{\circ} 02' 22''$ with the last described line, a distance of 369.72 feet to a point;

Running thence southerly, forming an exterior angle of $126^{\circ} 36' 26''$ with the last described line, a distance of 404.97 feet to a point;

Running thence westerly, forming an interior angle of $101^{\circ} 38' 14''$ with the last described line, a

distance of 148.87 feet to a point;

Running thence southerly, forming an interior angle of $268^{\circ} 52' 08''$ with the last described line, a distance of 177.73 feet to a point in the northerly line of North Forest Road (66.0 feet wide);

Running thence westerly, at right angles to the last described line and along the northerly line of said North Forest Road, a distance of 42.0 feet to a point;

Running thence northerly, at right angles to the last described line, a distance of 176.90 feet to a point;

Running thence westerly, forming an interior angle of $271^{\circ} 07' 52''$ with the last described line, a distance of 228.00 feet to a point;

Running thence northerly, at right angles to the last described line, a distance of 28.0 feet to a point;

Running thence northwesterly, forming an interior angle of $250^{\circ} 09' 45''$ with the last described line, a distance of 71.62 feet a point;

Running thence northwesterly, forming an interior angle of $149^{\circ} 50' 41''$ with the last described line, a distance of 120.0 feet to a point;

Running thence northerly, forming an interior angle of $137^{\circ} 27' 00''$ with the last described line, a distance of 145.0 feet to a point;

Running thence westerly, forming an exterior angle of $99^{\circ} 36' 08''$ with the last described line, a distance of 190.0 feet to the easterly line of Millersport Highway as acquired by the People of the State of New York by Parcel No. 14, Map No. 17 for the State Highway #584 widening;

Running thence northerly, forming an interior angle of $93^{\circ} 00' 27''$ with the last described line, a distance of 32.0 feet to an angle point therein;

Running thence northerly, along the said easterly line of Millersport Highway, forming an interior angle of $193^{\circ} 49' 52''$ with the last described line, a distance of 21.84 feet to the southerly corner of Parcel No. 43 as shown on Map No. 34 of lands acquired by the People of the State of New York for State Highway #584 widening;

Running thence northerly, along the said easterly line of Millersport Highway, forming an interior angle of $162^{\circ} 03' 25''$ with the last described line, a distance of 269.48 feet to a point on the south line of lands conveyed to Patrick J. Esford, Jr. and Jean Esford, his wife, by Deed recorded in the Erie County Clerk's Office in Liber 6389 of Deeds at page 411;

Running thence easterly, at an interior angle of $91^{\circ} 14' 38''$ with the last described line and along the southerly line of said Esford, a distance of 190.43 feet to the southeast corner thereof;

Running thence northerly, at right angles to the last described line and along the easterly line of said Esford and along the easterly line of lands conveyed to Henry A. and Stephanie Partyko by

Deed recorded in the Erie County Clerk's Office in Liber 4109 of Deeds at page 400, a distance of 170.0 feet to the northeast corner thereof;

Running thence easterly, forming an interior angle of 123° 53' 11" with the last described line, a distance of 737.26 feet to the point or place of beginning, containing 16.346 acres, be the same more or less.

Together with the benefits of the Declaration of Easement made by the Beechwood Health care Center, Inc., dated as of September _____, 2017 and recorded in the Erie County Clerk's Office on the _____ day of September, 2017 in Book/Liber _____ of Deeds at page _____.

EXHIBIT B

DESCRIPTION OF THE EQUIPMENT

All articles of personal property and all appurtenances acquired with the proceeds of the Tax-Exempt Revenue Bond (Beechwood Health Care Center, Inc. Project), Series 2017 in the principal amount of \$9,675,000 (the "Bond") issued by Town of Amherst Development Corporation (the "Issuer").

EXHIBIT C

FORM OF REQUEST FOR DISBURSEMENT

To: M&T Bank, as Disbursing Agent
M&T Center
One Fountain Plaza, 12th Floor
Buffalo, New York 14203
Attention: _____

Re: Town of Amherst Development Corporation
Tax-Exempt Revenue Bond
(Beechwood Health Care Center, Inc. Project), Series 2017
in the principal amount of \$9,675,000

Disbursement Number: _____

Date: _____, 20__

Gentlemen:

You are hereby authorized and directed to make the following disbursement from the Project Fund created pursuant to that certain bond purchase and disbursing agreement dated as of September 1, 2017 (as the same may be amended or supplemented from time to time, the "Bond Purchase Agreement") by and among Town of Amherst Development Corporation (the "Issuer"), Beechwood Health Care Center, Inc. (the "Company"), M&T Bank, as holder (the "Holder") of the above-captioned bond (the "Bond"), and M&T Bank, as disbursing agent thereunder (the "Disbursing Agent"):

(A) The name(s) and address(es) of the person(s) to whom such disbursement is to be made, the amount to be paid to each and the description of purpose for which the requested disbursement is to be made are as set forth on Schedule A attached hereto;

(B) All of the conditions set forth in Articles III and IV of the Bond Purchase Agreement have been satisfied or have been waived in writing by the Holder. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement;

(C) Pursuant to the Loan Agreement, the Bond Purchase Agreement, and the Tax Regulatory Agreement, each disbursement requested is for a proper expenditure of moneys disbursed from the Project Fund;

(D) With respect to the item(s) for which payment is to be made, the undersigned has no knowledge of any Lien which should be satisfied or discharged before the payment as requested is made;

(E) No item(s) for which payment is requested has (have) been the basis for any prior disbursement (requests for disbursements of retainage amounts under any contract relating to the construction of the Facility shall not be deemed made for an item which has been the basis of a prior disbursement by virtue of requests for disbursement of amounts covering the cost of such construction, less the retainage amounts);

(F) As of the date of this Request for Disbursement, the representations and warranties made in Article II of the Bond Purchase Agreement are true and accurate, and there is no Event of Default under the Bond Purchase Agreement, nor any event that, with the passage of time or the giving of notice or both, would ripen into an Event of Default;

(G) The Project Facility has not been materially injured or damaged by fire or other casualty;

(H) All sums due workmen and materialmen have been paid or will be paid from the proceeds of this disbursement;

(I) None of the items for which requisition is made constitutes (1) personal property (including, without limitation, fixtures and equipment) other than that listed on all accompanying schedules sufficient for identification purposes in connection with the filing of UCC-1 and/or UCC-3 financing statements or (2) materials stored off-site; and

(J) The payment of the amount requested hereby is consistent in all material respects with the Tax Regulatory Agreement.

BEECHWOOD HEALTH CARE CENTER, INC.

BY: _____
Authorized Officer

Request for Disbursement must be accompanied by bills, invoices or other proof to substantiate the amount requested.

SCHEDULE A
DISBURSEMENTS

NAME AND ADDRESS OF PERSON TO WHOM DISBURSEMENT IS TO BE MADE	AMOUNT OF DISBURSEMENT	DESCRIPTION AND PURPOSE OF DISBURSEMENT

Legal fee and disbursements of Holder's counsel	\$-0-
Cost of title examination and UCC searches, mortgagee title insurance premiums and title continuation charges	\$-0-
Cost of surveys	\$-0-
Recording and filing fees	\$-0-
Payment and performance bond premiums	\$-0-
Taxes, assessments and water rents existing prior to the commencement of renovation of the Facility	\$-0-
Taxes (including payments-in-lieu of taxes, assessment and water rents accruing during the renovation of the Facility)	\$-0-
Interest due on the Bond during the construction period	\$-0-
Insurance premiums accruing during the construction of the Facility	\$-0-
Soils and environmental testing	\$-0-
Permit fee	\$-0-
TOTAL AMOUNT OF ABOVE ITEMS	\$-0-

Certain of the foregoing amounts are based upon good faith estimates of costs or expenses not yet incurred and certain items listed above may cost more or less than such estimates. The Company reserves the right to use unexpended amounts from any of said items to defray increases incurred in any other item or items listed above so long as the total amount of monies expended on said items does not exceed the total amount of said items shown above.

After payment of the above items, the net sum available to the Company from that portion of the loan that constitutes a building loan pursuant to the Lien Law for the remaining improvements (monies which will be available to the Company to pay for the cost of constructing and equipping the Facility) will be \$1,000,000.00.

All monies disbursed by the Holder to the Company under the Bond Purchase Agreement shall be subject to the trust fund provisions of Section 13 of the Lien Law. If an Event of Default occurs during the construction of the Facility, the Holder may transfer all or any portion of any monies, except for amounts retained for the payment of incurred but unpaid items qualifying as cost of the Project Facility and amounts sufficient to discharge any field mechanic's lien, to the redemption of the Bond in accordance with the Bond Purchase Agreement. **IN THAT EVENT, SUCH MONIES WOULD NOT BE AVAILABLE TO THE COMPANY FOR THE FACILITY.**

This affidavit is made pursuant to and in compliance with Section 22 of the Lien Law by the Company as an "owner" of the Building within the meaning of subdivision 3 of Section 2 of the Lien Law, as the party actually benefitted by the borrowing, pursuant to the terms of the Loan Agreement and the Bond Purchase Agreement.

The reason this affidavit is verified by Daniel P. O'Neill and not by the Company is that the Company is a not-for-profit corporation and that said deponent is President and Chief Executive Officer thereof.

4. Out of the loan, the Company, as agent of the Issuer, also will expend approximately \$-0- to repay certain interim financing obtained by the Company and/or the Issuer to finance a portion of the Project Facility costs incurred to date. Therefore, the net sum available to the Issuer and the Company for the cost of the improvement is \$1,000,000.00, less such amounts as may become due or payable for insurance premiums, interest on building loan mortgages, taxes, assessments, water rents and sewer rents accruing during the making of the improvement.

5. This statement is rendered for the purposes of complying with Section 22 of the Lien Law of the State of New York.

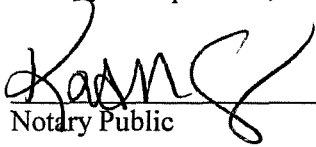
[Signature Page to Section 22 Lien Law Affidavit]

6. The facts herein stated are true to the knowledge of the deponent.



Daniel P. O'Neill

Sworn to before me this
12th day of September, 2017.



Notary Public

KATHERINE C. FAYNES
Notary Public, State of New York
No. 02BA6066021
Qualified in Monroe County
Certificate Filed in Monroe County
Commission Expires December 24, 2017