CHATEAU RESORT

INVESTMENT OFFERING

A New Standard In Residential Care

Creating Sustainable Communities for Seniors

www.mnlp.us
Why choose the CHATEAU RESORT?

We offer an Integrated Holistic Healthcare Retirement Campus which transverses several sectors of the senior housing market, emphasizing continuous, cumulative levels of supportive services. High-quality lodging and skilled care supported by a holistic health and wellness approach; presenting multiple choice-based residential options in a single setting ...“a mix of high-end multifamily accommodations, hospitality, and care”.

Mojave Narrows Chateau Partners’ mission is to create a unique environment which fosters connectivity to the surrounding community as well as cultural sensitivity, awareness, and competence.

Our Holistic Healthcare approach:

- Engages both the practitioner and the patient in an interactive partnership.
- Focuses on the whole person including medical history, environment, genetics, toxin levels and chronic or long-term disease episodes rather than merely identifying and treating symptoms.
- The overall operational approach for these medical related services is a wholly-owned interconnected clinical system integrated into the CCRC campus.
What Makes MNCP Different?

SENIOR SOLUTIONS

- Integrated Behavioral Support Groups
- Socio-Health Support Groups
- Respiratory, Physical & Occupational Rehab/Therapy Support Groups
- Pain Management Support Groups
- Speech Pathology & Audiology Support Groups
- 24-Hr Special MC Staff Support Groups
- Remote Monitoring, Assistive Technology & Interactive Multimedia MC Strategies Support Groups
- Reminiscing Rooms Support Groups
- 24 Hr. Licensed Nurses Support Groups
- Holistic Healthcare Approach Support Groups
- Vegan & Vegetarian Menus Support Groups
- Wellness Center Onsite Support Groups
- Diagnostic Testing Onsite Support Groups
- Medical Laboratory Onsite Support Groups
- Closed Pharmacy Onsite Support Groups
- Dialysis On-Site Support Groups
- Ambulatory Surgical Center Support Groups
- Monthly Bio-Metric Exams Support Groups
- Mobile Dental Check-ups Support Groups
- Regular Podiatrist Check-ups Support Groups
- Salon On-Site Support Groups
- Theater & Multipurpose Rooms - All Floors Support Groups
OUR VISION

The Creative CCRC model is sustainable, scalable, and replicable; in an:

- Emerging large expanding market domestically and internationally,
- Offering a holistic healthcare and wellness approach,
- Promoting “Age In Place” and “Brain Healthy Aging” solutions,
- Creating a substantial economic impact and benefit for the local community, and
- Assisting seniors to remain active in and connected to their communities.

The Company’s market aim is to specialize in alternative health solutions; to include, natural supplements and therapies, as well as personalized medical strategies that benefit both the prevention and treatment of chronic, recurrent illness and general wellness.

MNCP is dedicated to offering Integrated Functional Medicine as part of the Continuing Care Retirement Campus; promoting a better quality of life for the senior population we serve.

Proprietary
Flexible
Adaptable
Business
WHY A NEW APPROACH?

Changes in Consumer Preference, the Industry & it’s Demographics.

Quick Facts

Fragmented Residential Care Industry - Most providers are “mom and pop” board and cares (70 percent) owning 15 or fewer properties.

Increased Awareness & Market Penetration. Beth Mace, a Director at AEW Capital Management, indicated the senior housing Industry has grown primarily due to being better understood as increasing a number of households more readily accept industry products offering socialization increasing market penetration and creating an additional untapped source of demand from seniors and their adult children.

Family support shrinking. The number of family caregivers is declining to create a growing “care gap”, reports the AARP Public Policy Institute.

Post-acute Care. 40 percent of all Medicare patients discharged from hospitals require post-acute care.

US Senior Population. An enormous demographic shift or “silver tsunami” is occurring, more than 70 million people will be 65 or older by 2050.


Largest Assisted Living Market Segment. The largest segment in the industry is elderly people who live alone; particularly, those who have no children.

How Providers & Consumers Approach

Preventative Care Trend Toward Alternatives Medicine & Natural Therapies

Consumers, moving towards alternative health solutions because they have more money at risk, will be increasingly engaged in their healthcare and become more price sensitive for primary and retail healthcare services. They will use the ever-increasing internet sites and apps to price shop and check cost, quality, and access to providers or naturopathic alternatives.

Consumer Awareness

Importance of Nutrition & Supplements to Good Health

PWC’s Health Research Institute (HRI) 2017: “As established health organizations and new entrants focus on nutrition as a way to prevent costly medical problems and improve overall health; they serve as a catalyst to increase US demand for these services among the population, fueling growth and innovation.”
WHY PURSUE NEW SERVICES?

Modern Architectural Design

As baby boomers reach age 65, there are more chronically ill patients that will require long-term chronic care as a result of advances in modern medical technology. Ensuring that patients, especially those who are chronically ill, receive appropriate access to care while avoiding unnecessary duplication of services and preventing medical errors. These collaborative efforts are incentivized by value-based payment enhancement initiatives (CMS, n.d.).

Market Validation

Franchise - Expansion Opportunities

Where Senior’s Live & How Services Are Paid

Residential & Managed Care Service Pathways

Proportion of senior population at all stages of elderly care

Who pays for Nursing Home & Residential Care Facility Costs?

Clients

5

Arizona, Texas, California - 1800+ Beds

All Experienced Operators

Requests for Proposal

8

Technical Assistance

Monthly Growth

15%

Increasing

www.mncp.us
Integrated Healthcare Solutions

Emerging Healthcare Modalities

New Advanced Technology

Increase Access and Monitor Outcomes
Amenity Preferences

Changes In Consumer Support Preferences

Transitioning from Baby Boomers to Gen-X

Growing Trend toward Advanced Retirement Planning
OUR INDUSTRY

Closed Pharmacy System

Pharmacy Drug Distribution Pathways
What MNCP Does.

INDEPENDENT LIVING
Age-restricted multifamily rental properties with central dining facilities that provide residents, as part of their monthly fee, access to meals and other services such as housekeeping, linen service, transportation, and social or recreational activities.

ASSISTED LIVING
State regulated rental properties that provide the same services as the independent living communities listed above, but also provide, in a majority of the units, supportive care from trained employees to residents who are unable to live independently and require assistance with activities of daily living (ADLs) including management of medications, bathing, dressing, toileting, ambulating and eating.

MEMORY CARE
Memory care is a distinct form of long-term care designed to meet the specific needs of a person with Alzheimer’s disease, dementia or other types of memory problems.

SKILLED NURSING
Licensed daily rate or rental properties that are technically referred to as skilled nursing facilities (SNF) or nursing facilities (NF) where the majority of individuals require 24-hour nursing and/or medical care. Our facility will specialize in Sub-Acute and High Acuity Short-term rehabilitative stays for a broad population.

CONTINUING CARE RETIREMENT COMMUNITY - CCRC
Age-restricted properties that include a combination of independent living, assisted living and skilled nursing services (or independent living and skilled nursing) available to residents all on one campus.

INTEGRATED HEALTHCARE
Integrated care, also known as integrated health, coordinated care, comprehensive care, seamless care, or transmural care, is a worldwide trend in health care reforms and new organizational arrangements focusing on more coordinated and integrated forms of care provision. Senior Health-E-Systems will operate as a Medical Service Organization.

Source: American Senior Housing Association
The Victor Valley is a sub-region of Southern California located north of the San Bernardino Mountains and includes parts of the Mojave Desert. The Valley is located in San Bernardino County, situated east of the Antelope Valley and north of the Cucamonga Valley.

The Victor Valley is part of the Inland Empire sub-region of the Greater Los Angeles Area. Out of 4 incorporated cities located in the Victor Valley, Victorville is the largest.
**SPRING VALLEY LAKE ASSOCIATION**

Spring Valley Lake Association has come to be known as "The Jewel of the High Desert." The CDP has a population of 8,390 residents. The community surrounding the 200 acre man-made lake is comprised of 4,213 individually owned lots, two condominium complexes, one townhome complex and two commercial buildings that house restaurants and convenience stores.

**MOJAVE NARROWS REGIONAL PARK**

Mojave Narrows Regional Park offers year-round fishing (bass and trout), camping and picnic areas. The park features 38 RV sites, 3 tent camping sites, 9 group camping sites, hot showers, restrooms, grills and fire rings. Its picnic areas consist of 4 large group shelters, 1 medium sized group shelter, and a small group shelter supported by dump stations. Other amenities include barbecue grills and open green space picnic areas complemented by a playground, zero depth water play park, walking/hiking trails, equestrian trails and a disc golf amenity to create a fun experience for the entire family.
Development Community

Spring Valley Lake Association, California
View of Subject Site

Alternate View of Subject Site

Resulting in a Traffic Count of 20,000 cars/day

Creating an alternate route from Apple Valley to I-15

$38M Green Tree Project is Fully Funded

Scheduled to Begin Final Phase of Construction

Site
PROJECT STATUS

- **Land Acquisition.** The subject parcels, valued at $1.31MM, are owned fee simple.

- **Infrastructure.** Utilities are present on the parcels.

- **Planning, Design & Permitting.** The project is currently engineered, a drainage easement issue has been remediated. Secondary access has been secured via an easement with the regional park.

Final approval of a conditional use permit, lot line adjustment, initiating the drafting of the final 90 percent construction documents and initiating OSHPD review for the development are the next planned benchmarks in the coming 2 - 4 month timeline.

All conceptual design documents (site, preliminary grading, floor and landscape plans, plumbing fixture count & elevations) are completed.

A water quality management plan, hydrology study, and biological surveys are completed.

All other environmental surveys or reports are underway including the geotechnical and SWPPP.

- **Finance.** The Construction/Perm HUD loan has been sized, the construction contract has been bid and awarded. The project is fully bondable with a completion bond guarantee.

- **Operations.** The developer has negotiated a contract with Integro, an experienced Operator with HUD qualifications, to operate its SNF Rehab, IL, AL, & MC as a fee contract provider and equity partner.

- **EB-5 Financing.** The project’s EB-5 compliance has been vetted, and a $5.0MM facility has been exempted from registration with the SEC, registered with USCIS and pre-approved for EB5 Insurance.

- **Current Investment.** Approximately; $1.1MM has been invested to cover architectural, engineering, site fees, consulting, financial and legal costs associated with the EB-5 fund raise, private offering and entitlements.

### SOURCE & USE OF FUNDS

<table>
<thead>
<tr>
<th>SOURCES</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>I. Debt</td>
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<tr>
<td>A. Senior Debt - Construction Loan</td>
<td>$41,222,063</td>
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<tr>
<td>B. Mezzanine debt - EB-5 Loan (Medical Center Only)</td>
<td>$5,000,000</td>
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<tr>
<td>C. Deferred Debt - NMTC (Can Used for Equity) (Medical Center Only)</td>
<td>$682,328</td>
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<tr>
<td>Total Debt</td>
<td>$47,904,391</td>
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<tr>
<td>II. Equity</td>
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<tr>
<td>A. Cash</td>
<td>$11,318,620</td>
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<tr>
<td>B. Non-Cash</td>
<td>$1,310,000</td>
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<td>Total Equity</td>
<td>$12,628,620</td>
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<td>TOTAL SOURCES</td>
<td><strong>$62,533,011</strong></td>
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<th>USES</th>
<th>AMOUNT</th>
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<tr>
<td>Land Contribution</td>
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<td>Appraisal &amp; Feasibility Study</td>
<td>$8,500</td>
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<td>Construction Hard Costs (Structures, Off-Sites &amp; Site-work)</td>
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<td>Construction Contingency 10%</td>
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<td>Contractor Overhead &amp; Profit 6%</td>
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<td>General Conditions 2%</td>
<td>$1,026,953</td>
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<td>Environmental &amp; Entitlement Costs</td>
<td>$739,628</td>
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<tr>
<td>Architecture 4.5% &amp; Engineering Costs</td>
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<tr>
<td>Medical Project Implementation &amp; Consulting Fees</td>
<td>$300,305</td>
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<td>*Accounting, ASC, Billing &amp; Accreditation, Equipment, Dialysis, and Pharmacy Consultants</td>
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<tr>
<td>Marketing</td>
<td>$350,000</td>
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<td>Legal</td>
<td>$254,775</td>
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<td>Tax Opinion</td>
<td>$9,000</td>
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<td>Transaction costs - Bond Fees</td>
<td>$245,752</td>
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<tr>
<td>Permit, S5 County &amp; Victorville Fees</td>
<td>$1,921,219</td>
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<td>Transaction costs - Construction Loan Carrying Costs</td>
<td>$1,330,645</td>
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<td>Course of Construction Insurance</td>
<td>$248,864</td>
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<td>Working capital - Pre-Operating Costs</td>
<td>$588,223</td>
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<td>Working capital - Cash Reserve - Required for Licensing &amp; Initial Operating Capital</td>
<td>$2,561,773</td>
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<td>Transaction costs - Loan Fees</td>
<td>$745,123</td>
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<td>Capital assets - Equipment</td>
<td>$7,534,389</td>
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<td>Developer’s Project Supervision &amp; Soft Costs Contingency - 2%</td>
<td>$724,778</td>
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<td>TOTAL USES</td>
<td><strong>$62,533,011</strong></td>
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**TRANSACTION EQUITY VALUATION**

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<tr>
<th>Description</th>
<th>Value</th>
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<tr>
<td>LTM EBITDA</td>
<td><strong>$8,118,704</strong></td>
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<td>Entry Multiple</td>
<td>7.70</td>
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<tr>
<td>Transaction Value</td>
<td>$62,533,011</td>
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<tr>
<td>Less: Debt</td>
<td>$47,904,391</td>
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<tr>
<td>Plus: Cash</td>
<td>$11,318,620</td>
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<tr>
<td>Plus: Hard Asset - Land</td>
<td>$1,310,000</td>
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<tr>
<td>EQUITY VALUE</td>
<td><strong>$29,257,240</strong></td>
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DEVELOPMENT DESCRIPTION

Independent Living
1st Floor = 15,046.26 SQ. FT.
2nd Floor = 17,530.14 SQ. FT.
3rd Floor = 17,190.36 SQ. FT.
Total = 49,768.76 SQ. FT.
Business Center
Open Concept Lobby
Theater Room
Conversation Area

Assisted Living
1st Floor = 20,130.26 SQ. FT.
2nd Floor = 20,026.56 SQ. FT.
3rd Floor = 20,026.56 SQ. FT.
Total = 60,192.02 SQ. FT.
Studios, 1 & 2-Apt
Country Kitchens
Private Entertainment Rooms
Theater Room
Salon

Skilled Nursing
1st Floor Total = 47,659.43 SQ. FT.
Total = 60,192.02 SQ. FT.
Pain Management
Behavioral Health
Socio-Health
Bed-bound Dialysis
Capabilities

Amenities/Outpatient Rehabilitation
1st Floor = 11,657.26 SQ. FT.
2nd Floor = 13,065.52 SQ. FT.
Total = 24,722.08 SQ. FT.
Restaurant & Bistro
Coffee & Smoothie Shop
Market
Gym & Salon
Audiology, Speech Pathology, Respiratory, Physical & Occupational Therapies
Training Center

MOB
1st Floor = 15,631.4 SQ. FT.
2nd Floor = 15,631.4 SQ. FT.
Total = 31,262.8 SQ. FT.
Wellness Center w/ Dialysis, & Behavioral Health Suites
Diagnostic Testing Suite w/ Radiology, CT Scan, MRI, Cardiovascular, Thermal Imaging & Sleep Study
Capabilities
Pharmacy & Ambulatory Surgical Center

DEVELOPMENT BUDGET ANALYSIS

Cost Approach Analysis Comparison

<table>
<thead>
<tr>
<th>Building Improvements</th>
<th>Cost Approach Summary</th>
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<tbody>
<tr>
<td>Base Cost</td>
<td>Cost</td>
</tr>
<tr>
<td>Building Base-Cost</td>
<td>Sq. Ft. $ 158.24 182.342 1.182 $ 34,105.199.33</td>
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<tr>
<td>Building Sprinklers</td>
<td>Sq. Ft. 2.50 182.342 1.182 $ 538,020.61</td>
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<tr>
<td>Elevators</td>
<td>Lump Sum 75,000.00 16 1.182 $ 1,418,400.00</td>
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<tr>
<td>Total Building Improvement Cost</td>
<td>$ 36,062,409.54</td>
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<table>
<thead>
<tr>
<th>Site Costs</th>
<th>Cost Approach Summary</th>
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<tbody>
<tr>
<td>Site Preparation</td>
<td>Sq. Ft. 0.35 812.268 $ 284,293.90</td>
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<tr>
<td>Landscaping</td>
<td>Sq. Ft. 1.00 333,561 $ 333,561.00</td>
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<tr>
<td>Signs</td>
<td>Per Unit 2,500.00 4 $ 10,000.00</td>
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<tr>
<td>Concrete Walkways</td>
<td>Sq. Ft. 0.00 185,365 $ 1,112,187.00</td>
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<tr>
<td>Parking Area</td>
<td>Per Unit 3,175.00 455 $ 1,535,425.00</td>
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<td>Total Site Improvement Costs</td>
<td>$ 3,275,666.00</td>
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<table>
<thead>
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<th>FF&amp;E Costs</th>
<th>Cost Approach Summary</th>
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<tr>
<td>Total FF&amp;E Costs</td>
<td>Per Bed 7,500.00 274 $ 20,550,000.00</td>
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<table>
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<th>Comparison Development Budget</th>
<th>Cost Approach Summary</th>
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<tr>
<td>Developer's Budget</td>
<td>$ 62,533,111.00</td>
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<tr>
<td>Land Value</td>
<td>$ 1,310,000.00</td>
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<td>Differential</td>
<td>$ 222,142.11</td>
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MARKET CONDITIONS

DEMOGRAPHICS

### Senior Housing Supply

Oracle Healthcare Advisors. Investigation of the PMA revealed a total of 474 comparable competitive units within the project’s target market area. These competitive units target senior demographics that are characterized by an income qualified need present in 2016, divided among the following adult populations.

- **254 units in 2 independent living developments** targeting 1,490 middle and upper income older adults who desire a maintenance free lifestyle in a congregate living setting.
- **306 units in 3 assisted living developments** targeting 1,381 middle and upper income older adults who need assistance with activities of daily living (ADLs).
- **95 units in 2 residential dementia developments** specializing in the care of a potential 2,485 middle and upper income older adults who need supervision and programming due to Alzheimer’s disease or related dementia.

Sterling Inn’s 126 units are counted in both the Independent and Assisted categories (not inclusive of its 70 MC units).

Only 37 one and two bedroom assisted independent units are planned for development within the PMA.

### Occupancy Rates

Oracle Healthcare Advisors. Local supply and demand fundamentals are strong with market occupancy rates at 92.6% for senior independent living, 93.8% for assisted living, and balanced at 94.4% for memory care, the market is expected to remain similar over the foreseeable future.

**Within a 5 mile radius of the Subject Site**

### Net Income Qualified Demand

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<tr>
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</thead>
<tbody>
<tr>
<td>Net Independent Living</td>
<td>200</td>
<td>217</td>
<td>234</td>
<td>250</td>
<td>267</td>
<td>281</td>
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<tr>
<td>Net Assisted Living</td>
<td>103</td>
<td>123</td>
<td>142</td>
<td>162</td>
<td>182</td>
<td>201</td>
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<tr>
<td>Net Memory Care Demand</td>
<td>73</td>
<td>85</td>
<td>96</td>
<td>107</td>
<td>118</td>
<td>124</td>
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<tr>
<td>Net SN Demand</td>
<td>136</td>
<td>163</td>
<td>147</td>
<td>375</td>
<td>159</td>
<td>386</td>
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<td>MMC</td>
<td>170</td>
<td>398</td>
<td>181</td>
<td>209</td>
<td>193</td>
<td>447</td>
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<tr>
<td>CCRC Market Demand</td>
<td>513</td>
<td>572</td>
<td>630</td>
<td>689</td>
<td>748</td>
<td>807</td>
</tr>
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</table>

### Average PMA Asking Price

- **IL Studio/Private - 450 SF - $2,760**
- **IL One-Bedroom - 575 SF - $3,700**
- **IL Two Bedroom - 850 SF - $4,500**
- **AL Studio/Private - 450 SF - $3,360**
- **AL One-Bedroom - 575 SF - $4,200**
- **Companion Fees - $750**
- **Community Fees - $2,000**
- **MC Private - 350 SF - $5,410**
- **MC Semi Private - 550 SF - $4,410**
- **MC Community Fee - $2,800**
- **AL Additional Care - $390 - $1,200**
SNF MARKET DATA

RESIDENTIAL CARE
HOUSING SUPPLY
Oracle Healthcare Advisors. 476 to 703 middle and upper income older adults – 3 Comparable Facilities in PMA.

SNF MEDICARE/ MEDICAID RATING
Oracle Healthcare Advisors. Medicare Five-Star quality rating system — We assume the subject will be rated as a four-star facility while the comparable’ comparison items are rated between one and two stars.

SNF OCCUPANCY RATES
Oracle Healthcare Advisors. The developer’s pro-forma skilled nursing occupancy rate is 84.7% in the Stabilized Budget period. The rental comparables report a current range from 80.0% to 85.0% with an average of 82.8%.

SUBJECT's STABILIZED OCCUPANCY
Oracle Healthcare Advisors. We have concluded to a rate that falls near the market average. Therefore, we project an 83.0% stabilized occupancy level for skilled nursing.

CHATEAU RESORT SNF
The Chateau Resort SNF has no direct competition with another company for a lion's share of our specialized niche market offering focused on short term higher acuity patients: post acute rehab, bed bound dialysis, ventilator and tracheotomy care patients; as a fully integrated medical campus with residential care. Local owners of skilled nursing homes are limited to traditional service offerings in that their designated number of subacute beds are assigned; therefore, it would very costly to reassign these nursing beds to accommodate additional sub-acute patients or those that require dialysis treatment. The transition would require installation of additional generators, specialized water treatment equipment and plumbing. Additionally, sub-acute services require higher staffing ratios.

BENEFITS OF SKILLED NURSING CARE
Higher level providers (Hospitals, LTACs or IRFs) operate at a much larger cost and expense structure than SNFs; these institutions cannot afford to keep patients at the sub-acute rate; therefore, a transfer is preferred to avoid lost revenues or penalties for readmissions and tying up Intensive Care Unit or Rehab beds.

Placing patients in sub-acute or high acuity skilled nursing facilities creates an enormous financial incentive for insurance carriers and SNF providers. Skilled Nursing Facilities offer skilled, custodial or palliative care in a cost-efficient setting.
There is a shift of Patient Care to Lower Cost Alternatives:

- SNFs deliver effective clinical outcomes at reduced pricing.
- Increase Medicare funding for treatment of high acuity patients.
- Lower staffing requirements and associated costs.
- Create an opportunity to serve both the senior community and general public building a two part revenue stream and a broader base to serve.

### SnFs Are Lower Cost Setting

<table>
<thead>
<tr>
<th>Comparison of per Case Rates</th>
<th>SNF</th>
<th>IRF</th>
<th>LTAC</th>
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<tr>
<td>Tracheotomy with Vent</td>
<td>$10,051</td>
<td>$26,051</td>
<td>$115,483</td>
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<tr>
<td>Respiratory with Vent</td>
<td>7,897</td>
<td>26,051</td>
<td>74,689</td>
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<tr>
<td>Joint Replacement</td>
<td>6,165</td>
<td>17,135</td>
<td>67,104</td>
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<tr>
<td>Hip Fracture</td>
<td>10,616</td>
<td>18,487</td>
<td>44,633</td>
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<tr>
<td>Stroke</td>
<td>8,905</td>
<td>34,196</td>
<td>31,498</td>
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<tr>
<td>Average</td>
<td>8,727</td>
<td>24,384</td>
<td>66,677</td>
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Source: MedPac
Our Skilled Nursing Building
Our Medical Office Building

Our Outpatient Rehabilitation - Amenities Building

Southern View of Rehabilitation - Amenities Building
FINANCIAL SUMMARY

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<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
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<td>Sales</td>
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<td>$41,288,855</td>
<td>$43,271,656</td>
<td>$44,703,743</td>
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<td>Gross Margin</td>
<td>$19,763,116</td>
<td>$29,320,171</td>
<td>$30,934,877</td>
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<td>Expenses</td>
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<td>$16,550,933</td>
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<td>EBITDA</td>
<td>$8,118,704</td>
<td>$14,576,715</td>
<td>$15,593,502</td>
<td>$15,643,372</td>
</tr>
</tbody>
</table>

Net Operating Income: $3,272,286, $6,959,583, $7,636,241, $7,698,386

26.32% Internal Rate of Return based on Total $62M Investment
30%+ Annual Rate of Return on Initial Equity Investment

Net Cashflow: $5,499,500, $7,254,325, $8,621,941, $8,088,066

REAL ESTATE FUTURE VALUE

PRE-MONEY VALUATION

Prepared by Daniel C Young, CFP®, CFE

POST-MONEY VALUATION

CCRC

MEDICAL CENTER
**ECONOMIC IMPACT**

The business will generate 312 direct fulltime jobs.

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>Estimated Revenue</th>
<th>Employment Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction (Indirect Employment)</td>
<td>$49,746,940</td>
<td>332.9</td>
</tr>
<tr>
<td>Residential Care</td>
<td>$33,870,200</td>
<td>358.1</td>
</tr>
<tr>
<td>Medical Care</td>
<td>$22,812,543</td>
<td>156.7</td>
</tr>
<tr>
<td>Retail Stores</td>
<td>$3,285,716</td>
<td>31.1</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$109,715,933</strong></td>
<td><strong>878.8</strong></td>
</tr>
</tbody>
</table>

**EXIT STRATEGY**

- Investment Bank/Mortgage Lender
  - Refinance
- Equity Investor
  - Stock Purchase
- Company Repurchase of Stock
  - Structured Buy-out
- Public Offering
- Sale - Real Property
- Merger
CAPITAL REQUIREMENTS

Levels of Investment
The full cash requirement needed to completely build this project and prepare it for occupancy is $13.32MM. The project developer has identified three tiers of investor engagement:

1. Units @ $1,070 each with a 100 unit minimum or $107,000 (includes brokerage fees)
2. $2.5MM - $5.0MM, and
3. $7.5MM - $10.0MM

All investment scenarios are offered with a preferred return and equity status, up to 30% of ownership.

Capital Benchmark
The project has an immediate need for $2.5 to $5.0MM – to trigger the senior debt – a $42.2MM credit facility.

There will be an additional $5-$7.5MM needed for the working capital, fees and reserves required for the HUD loan.

The Sponsor and Operator will contribute an additional $2,318,620 equity infusion ($1.1MM expended thus far) to accompany the $10MM investor equity contribution. All escrows are under the control of NES Financial 3rd party fund management.

Creative Adaptations, Inc. has obtained a bank lender to supply an ancillary operating line of credit (to meet unforeseen capital expenditures) up to $3.0MM as well as cover operating deficits, if any occur during lease-up.

Private Placement Memorandum, Offering and Due Diligence documents are available upon request.

DELIVERABLES

Funding Benchmarks
Opportunity for 10 Investors Only!

To qualify for the EB-5 investment you must be a non-resident of the United States; and an accredited investor.

- An Accredited Investor is any person who: earns at least $200,000 annually ($300,000 for a married couple) or has a net worth of $1 million excluding their primary residence.

The organization allocates Limited Partnership interests to qualifying participant accredited immigrant investors for each $500,000 investment.

- Each qualifying investor must be put their investment at risk investing in a US new commercial enterprise which creates 10 permanent fulltime jobs for US workers that are sustainable for a minimum period of two years.

Mojave Senior Investment & Management, LLC, a California limited liability company, the General Partner of Mojave Narrows Chateau Partners, LP, has obtained a detailed economic analysis that (i) quantifies the benefits of such investments in the Company to the state and local economy as a Target Employment Area ("TEA"); and (ii) demonstrates that each investment in the Limited Partnership will create at least ten (10) full time direct, indirect and/or induced jobs for qualified U.S. workers for each $500,000.00 investment made by an EB-5 Immigrant Investor.

Impact Data Source economists have completed a report based on the USCIS-recognized RIMS II model. The development of the CCRC is expected to create a total of 879 jobs of which 333 indirect and induced jobs are anticipated to be created as an output of the development’s planned construction expenditures and 312 new direct jobs and 234 new indirect or induced jobs are anticipated to be created from the output of the business operations after construction.

WHAT IS EB-5?

In 1990, Congress created the Immigrant Investor Pilot Program employment-based preference category 5 (EB-5) immigrant visa classification to stimulate U.S. job creation and economic growth. The program encourages capital formation through investment by immigrants into a new commercial enterprise or trouble business in exchange for permanent resident status. Each $1,000,000 investment is designated to create 10 U.S. jobs. If the Job Creation Entity is located in a high unemployment or rural area, the required capital investment may be reduced to $500,000. Regional Centers may expand the job creation requirement to include indirect and induced jobs in addition to hiring direct employees to achieve the final job count. There are 10,000 EB-5 immigrant visas available annually.

Benefits of Investment

- Family members of EB-5 investors (including spouse and unmarried children under the age of 21) receive green cards.
- Investors and families have the freedom to live, work and retire anywhere they choose in the United States – there is no requirement to live near the site of investment.
- Investors are not responsible for day-to-day management of the commercial enterprise.
- Investment capital can come from any lawful source, including gifts, inheritance, and business ownership.
- Investors with EB-5 Green Cards may travel outside of the United States and return without a visa.
- Investors enjoy the same benefits as other US residents including resident discount on tuition to attend US colleges and universities.
- Investors may apply for full US citizenship after 5 years.
- Ability to develop and run your own business.
- Ability to sponsor Green Cards for your relatives to receive visas.

All applicants must be approved by USCIS.
U.S. Citizenship and Immigration Services

Important Documents

June 27, 2017

U.S. Citizenship and Immigration Services
Immigrant Investor Program Office
1314 M Street, NE
Mailstop 2235
Washington, DC 20529

To Whom It May Concern:

Section 204(e) of Title 8, Code of Federal Regulations (CFR) governing alien entrepreneur immigrant visa petitions under the USCIS administered EB-5 visa program authorizes the state government of any state of the United States to designate a particular geographic or political subdivision located within a metropolitan statistical area (MSA) or within a city or town having a population of 20,000 or more within such state as a high unemployment area if the area experienced an unemployment rate of at least 150 percent of the national average.

The designation and certification of high unemployment areas in the State of California under 8 CFR 204(e) paragraph (c) and (g), including certifications of high-unemployment areas within any MSA or qualified area such as a census designated place (CDP) within an MSA — has been delegated to the Governor’s Office of Business and Economic Development. Such certification is based on official estimated unemployment data provided by the Employment Development Department of this state.

The national average unemployment rate for calendar year 2016, as calculated by the U.S. Bureau of Labor Statistics, was 4.9%, requiring an unemployment rate of 7.4% or greater for “high unemployment area” eligibility.

A request for a Targeted Employment Area certification of a high unemployment area has been received from Mojave Narrows Chateau Partners, LP with respect to a new business or project named Mojave Narrows Chateau, at the address of Park Rd. and Vista Rd., Victorville, San Bernardino County, California. The 2016 unemployment data for the State of California, as provided by the Labor Market Information Division of the California Employment Development Department shows an 11.7% unemployment rate for the High Unemployment — Census Tract that contains the location where the new enterprise is principally doing business.

This unemployment rate was calculated based on the County Unemployment Methodology prescribed by the U.S. Department of Labor for all states in designating high unemployment areas under the Immigration Act of 1990. The County Unemployment Methodology indicated that the unemployment rate of

916) 322-0694 • business.ca.gov • 1325 J Street 28th Floor, Sacramento, California 95814, USA
Meet Our **Leadership Team**.

Venkat R Vangala  
**Co-Sponsor**  
Retired MD –  
St. Mary’s Regional Medical Center  
- Chief of Surgery, 1994-1995  
- Member at Large 1996-1997  
- Secretary/Treasurer 1998-1999  
Barstow Community Hospital  
- Chief of Surgery 1993  
- Bio-Ethics Committee

Nirupama Vangala  
**Co-Sponsor**  
Owner-Operator -  
Foremost Senior Campus  
- 96-Bed Assisted Living  
- 62-Bed Independent Living  
- "G" Street Senior Apts.  
- 111-Bed Independent Living

Mary Brown  
**Healthcare Developer**  
30-year Developer, Healthcare &  
Assisted Living Administrator -  
- 10 multifamily – 200 units+  
- 5 commercial – office/retail  
- 8 health-related commercial  
properties – MOB  
- 120-bed freestanding hospice  
hospital  
- 4 CCRCs

Meet Our **Project Management Team**.

Daniel Young  
**Financial Consultant**  
Business Development  
- Raised over $1.5 billion internationally  
- Taft-Hartley clients  
- Registered Investment Advisors  
- Pension Retirement Plans

Rubin McGensy  
**Marketing Consultant**  
Venture Capital Coordinator  
Angelo Capital Investment Network  
Investment/ Fundraising Events  
- Projects totaling $290M  
- JZ : Vibe Magazine Acquisition

James Oravets  
**Construction Project Manager**  
Civil Engineer  
- Former Deputy Director San Bernardino County  
- Former City Engineer City of Needles  
- San Bernardino County Bloomington Senior  
Housing Project

Lisa Tang  
**Investor Relations**  
Co-Founder American Chinese CEO Society  
Signature Entrepreneur  
- Strong History in Investment Fundraising  
- American -Chinese Delegations to promote  
Trade

www.mncp.us
Meet Our Consulting Team.

**MNCP** has contracted with industry leaders which set the standard for excellence in their respective fields. To include: legal services, market analysis, architecture, general construction contracting, environmental consulting, civil, structural, mechanical, electrical and plumbing engineering.

Meet Our Operations Team.

**Integro** has a proven management team with industry-leading infrastructure, systems, processes and relationships. Our management consultants have a proven ability to generate positive return-on-investment (ROI) for investors. **Integro currently operates 10 SNFs (1,562 beds)**; each nursing and care center is a provider of long-term healthcare and rehabilitation services with a universal goal of imparting quality care to their respective patients, residents, family members and associates. **Integro** and its affiliates recently divested sixteen (16) independent & assisted living/memory communities (1,164 beds) in the Midwest, Arizona and California generating approximately $75 million of net profit for current investors.
MNCP seeks to fulfill a viable niche within the residential care industry as the marketplace continues to expand due to increased demand caused by the “Greying of America”.

MNCP is confident it will make a significant impact as a residential care, healthcare support and contract research service provider throughout the United States and Internationally, with the capital investment requested.

MNCP will complete development activities and commence full-scale operations in 2020, generating considerable profits over the next several decades for the Company and its Investors.

Our Contact
Creating Sustainable Communities for Seniors
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MOJAVE NARROWS CHATEAU PARTNERS

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