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September 8, 2022

VIA OVERNIGHT DELIVERY AND E-MAIL to Heidi.Lehrman@doj.ca.gov

Heidi Lehrman, Esq.
Deputy Attorney General
1300 I Street, Suite 125
Sacramento, CA 944255

Re: Retirement Housing Foundation - Asset Sales – Change in Two ALF Operators

Dear Ms. Lehrman:

This is to follow up on the emails I sent you yesterday regarding a change in the proposed operators of the assisted living facilities ("ALFs") at Auburn Ravine Terrace ("Auburn") and Gold Country Retirement Center ("Gold Country") upon closing of the sales of these properties.

As described in my emails, originally, subsidiaries of Cypress Healthcare Group LLC (Del Oro LLC for Gold Country and Glockston LLC for Auburn) planned to operate both the SNF and ALF at these two communities. As you know, SNFs and ALFs (RCFEs) are licensed by different agencies. Cypress has since decided to create separate LLCs to operate the ALFs and obtain the required RCFE licenses. The new entities are Del Oro ALF LLC and Glockston ALF LLC.

As contemplated by our original notice, Del Oro LLC (the SNF operator at Gold Country) will lease the SNF and ALF premises from Golden Center Holdings LLC pursuant to a Lease and Operational Control Agreement dated June 21, 2022. We provided that Agreement with our original notice. However, Del Oro LLC will now sublease the ALF premises to Del Oro ALF LLC pursuant to a Sublease Agreement dated August 30, 2022. Del Oro ALF LLC will then operate the ALF and obtain the required RCFE license.

As also contemplated by our original notice, Glockston LLC (the SNF operator at Auburn) will lease the SNF and ALF premises from Auburn Ravine Holdings LLC pursuant to a Lease and Operational Control Agreement dated June 21, 2022 and First Amendment to Lease and Operational Control Agreement dated July 7, 2022. We provided that Agreement and Amendment with our original notice. However, Glockston LLC will now sublease the ALF premises to Glockston ALF LLC pursuant to a Sublease Agreement dated August 30, 2022. Glockston ALF LLC will then operate the ALF and obtain the required RCFE license.

Cypress Healthcare Group LLC is the sole member and 100% owner of the four operators described in this letter. Jack Sanofsky, Robert Jackson, and Matthew Jackson each own a 1/3 membership interest in Cypress Healthcare Group LLC.

Enclosed are the following documents in support of this letter:

1. Del Oro ALF LLC: Articles of Organization

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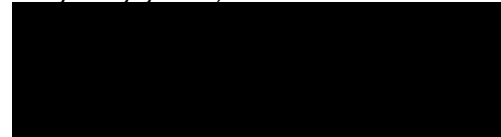
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2. Del Oro ALF LLC: Operating Agreement
3. Del Oro ALF LLC and Del Oro LLC: Sublease Agreement dated August 30, 2022
4. Glockston ALF LLC: Articles of Organization
5. Glockston ALF LLC: Operating Agreement
6. Glockston ALF LLC and Glockston LLC: Sublease Agreement dated August 30, 2022

As always, please do not hesitate to contact me if you have any questions or require additional information.

Very truly yours,



Pamela S. Kaufmann
Partner

PSK

Enclosures

cc: Stuart Hartman
Robert Amberg, Esq.
Laura Fox Buchan
Frank Rossello
Brian Magnone
David Napierskie
Joyce Chang O'Brien
Johanna Williams