

For Sale

84-Unit Seniors Housing
Community Investment Opportunity

Call for Offers: March 31, 2017

Ocean Pines

Senior Living Community

1135 OCEAN PARKWAY OCEAN PINES, MD 21811



PRESENTED BY:

Robert S. Gaines

Senior Vice President, Senior Housing
DIRECT +1 215 928 7538

EMAIL bob.gaines@colliers.com



Offering Summary

Colliers International is pleased to present the rare opportunity to acquire Ocean Pines Senior Living Community, a three building, 84-unit, licensed Assisted Living Care and Independent Living facility priced for sale at \$10,500,000 or \$125,000 per unit. The property is located on 6.3 acres in Ocean Pines, Maryland. This opportunity presents itself during a favorable time for investors and operators, as the seniors housing industry is thriving and the highly desirable area of Ocean Pines is significantly underserved.

Ocean Pines Senior Living Community is located in Ocean Pines, a resort-style residential community, accessible through the South Gate. Residents have access to the Ocean Pines amenities (some at additional costs). These amenities include an 18-hole golf course, two marinas, five swimming pools, a yacht club, country club, tennis courts, hiking and walking trails, beach access with private parking, and police/emergency services. Ocean Pines is located on Maryland's Eastern Shore, just minutes to the beaches of Ocean City, Fenwick Island, Bethany Beach, Rehoboth Beach, and Chincoteague. Over 20 championship golf courses are nearby as well as many restaurants, outlet shopping, and other activities.

Ocean Pines is estimated to have in excess of 64,000 residents with 33,300 residents to be 50+ years of age and 10,000 residents to be 65+ years of age by the end of 2017. This creates the ideal location to support a successful seniors housing development.

Please Contact:

Robert S. Gaines
Senior Vice President, Senior Housing

Colliers International
Ten Penn Center
1801 Market Street, Suite 550
Philadelphia, PA 19103

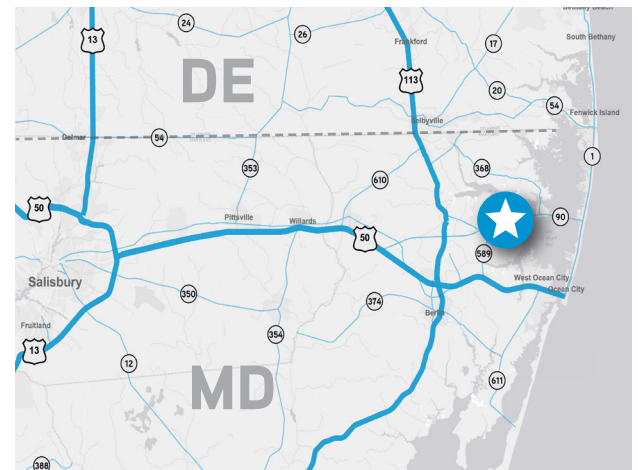
DIRECT +1 215 928 7538
MOB +1 410 371 3006
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COLLIERS INTERNATIONAL

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+1 215 925 4600

www.colliers.com



FINANCIAL OFFERING SUMMARY

Terms	All cash
Year Built	2001 & 2007
Stories	One and three
Square Feet	71,198 SF
Site	6.3 acres
Parking	68 spaces
Occupancy	98%
2016 Cap Rate	6.4%
Projected NOI	\$1,000,000

OCEAN PINES SENIOR LIVING COMMUNITY | EXECUTIVE SUMMARY

Materials contained in this Investment Offering are confidential, furnished solely for the purpose of considering the "AS IS" acquisition of Ocean Pines Senior Living Community in Ocean Pines, MD (the "Property") described herein and are not to be used for any other purpose or to be made available to any other person without the express written consent of Colliers International and Owner. No representations, expressed or implied are made as to the foregoing matters by Owner, Owner's property management/ leasing agent, Colliers or any of their officers, employees, affiliates and/or agents.

OCEAN PINES SENIOR LIVING COMMUNITY

CONFIDENTIALITY AGREEMENT

Lanard & Axilbund, LLC d/b/a COLLIERS INTERNATIONAL ("Broker") has been engaged by OPAL & OPIL, ("Owner") as its sole and exclusive agent to offer for sale OPAL & OPIL located at 1135 Ocean Parkway, Ocean Pines, MD, 21811 ("property"). In order to receive the confidential offering memorandum (the "OM"), you must read, complete and sign this Confidentiality Agreement (this "Agreement") and return it to Broker. Broker and Owner appreciate your interest and upon our review and acceptance of this Agreement, which is in our sole discretion, Broker will deliver the OM to you (together with your principals, affiliates and related parties, "Prospect").

Prospect as Principal. In submitting this Agreement, Prospect is representing and warranting to Owner and Broker that it is a principal and not an agent, or acting on behalf of, any other party with regard to a potential purchase of the Property.

Brokers. Prospect understands and agrees that Owner will not be compensating any broker other than Broker. Any agent or broker representing Prospect must be compensated directly by Prospect. Accordingly, Prospect hereby indemnifies, defends and holds Owner and Broker harmless from and against any claims, causes of action, damages, losses or liabilities of any kind, including without limitation, reasonable attorneys' fees and court costs which Owner and/or Broker may incur with respect to any claim for real estate commissions, finder's fees, brokerage or other fees in relation to or in connection with the Property.

Confidentiality. All information contained in the OM, or otherwise provided to Prospect, is confidential (collectively, the "Confidential Information"), and shall not be disclosed by Prospect without the prior written consent of Owner. During and after the term of this Agreement, Prospect agrees that it will: (a) hold in strict confidence and not disclose the Confidential Information to any third party except as expressly authorized by Owner in writing, (b) not photocopy or duplicate any part of the OM, (c) use Confidential Information only to the extent reasonably necessary in connection with its evaluation of the Property for purchase and not otherwise for its own gain or benefit or in any manner that might be deemed detrimental to the interest of Owner or Broker, and (d) restrict access to Confidential Information to those employees, representatives or agents of Prospect who (i) have a "need to know" in connection with Prospect's evaluation of the Property and (ii) have entered into confidentiality agreements with Prospect on terms that afford no less protection to the Confidential Information than those set forth herein. Confidential Information shall not include information which: (i) was in Prospect's possession on a non-confidential basis before receipt from Owner or Broker, provided that the source of such information was not known by Prospect to be bound by any confidentiality obligation to Owner or Broker with respect to such information; (ii) is or becomes generally available to the public other than as a result of a violation of this Confidentiality Agreement by Prospect; (iii) is subsequently received by Prospect from a third party on a non-confidential basis, provided that such third party was not known by Prospect to be bound by any confidentiality obligation to Owner or Broker with respect to such information; or (iv) is independently developed by Prospect without the use of, or reference to, the Confidential Information. If Prospect is required to disclose Confidential Information pursuant to any applicable law, regulation, court order or document discovery request, then Prospect must give Owner and Broker prompt written notice of such requirement. If Owner waives compliance with the terms of this Agreement with respect to such disclosure or is unable to obtain a protective order or other appropriate remedy with respect to such disclosure, then Prospect may disclose only that portion of the Confidential Information necessary to ensure compliance with such legal requirement.

Disclaimer. The OM and other information have been prepared by Broker for evaluation by a limited number of parties. Nothing contained in the OM or any other documents provided by Owner or Broker, on Owner's behalf, shall be relied upon as a promise or representation as to the future performance of the Property. Prospect is advised that: (i) changes may have occurred in the physical or financial condition of the Property since the time this OM and the financial statements therein were

prepared; and (ii) the projections contained therein have been developed and based upon information provided to Broker by Owner and upon assumptions relating to the general economy, competition and other factors and events beyond the control of Broker and Owner and, therefore, may be subject to variation. No representation is made by Owner or Broker as to the accuracy or completeness of the information contained in the OM, nor does it purport to contain all of the information that a prospective purchaser of the Property may need or desire in its evaluation of the Property. Other than historical revenue and operating expense figures of the Property, Owner has not, and will not, provide Broker or any prospective purchaser with any income and expense figures, budgets or projections regarding the Property. Prospect is advised and encouraged to conduct its own comprehensive review and analysis of the Property.

Prospect understands and agrees, upon receipt of the Confidential Information that neither Owner nor Broker warrant, expressly or by implication, the accuracy of any information provided, but intend only to supply Prospect with materials that are in Owner's possession, to be reviewed and evaluated in Prospect's discretion, including but not limited to any maps, diagrams or schematics, of the Property, including, without limitation: (i) the quality, nature, adequacy and physical condition and aspects of the Property, including but not limited to, elevations, structural elements, foundation, roof, appurtenances, access, landscaping, parking facilities and the electrical, mechanical, HVAC, plumbing, sewage and utility systems, facilities and appliances, if any; (ii) the quality, nature, adequacy and physical condition of the soils, geology and any groundwater; (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Property, if any; (iv) the development potential of the Property and the Property's use, merchantability, or fitness or the suitability, value or adequacy of the Property for any particular purpose; (v) the zoning or other legal status of the Property or any other public or private restrictions on use of the Property; (vi) the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vii) the presence of hazardous materials on, under or about the Property or the adjoining or neighboring property; (viii) the quality of any labor and materials used in any improvements on the Property, if any; and (ix) the condition of title to the Property.

Although the information contained in the OM, and otherwise provided, is believed to be correct, Broker, Owner and their agents, contractors, members and employees disclaim any responsibility for inaccuracies and Prospect is expected to conduct its own due diligence to verify all such information. Further, Owner, Broker and their agents, contractors, members and employees disclaim any and all liability for representations or warranties, express or implied, contained or omitted from the OM or any other written document or oral communication transmitted to, or made available to Prospect. Neither the OM, nor any of the other documentation that may be provided, constitutes a representation that there has been no change in the business or financial affairs of the Property or Owner since the preparation date of such information. Prospect expressly waives, on behalf of itself and any of its agents, contractors, members and employees any and all claims against Owner and Broker for any cause of action arising from Prospect's reliance on the OM or the other information provided. **Analysis and verification of the information contained in the OM, and otherwise provided, is the sole responsibility of Prospect. Prospect shall rely on its own due diligence of the Property to determine the condition of it and the improvements prior to settlement.** Additional information and an opportunity to conduct a physical inspection of the Property may be made available upon written request of Prospect.

Offering Memorandum. The OM is a solicitation of interest only and is not an offer to sell the Property. The Owner and Broker expressly reserve the right, in their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and expressly reserve the right in their sole discretion, to terminate discussions with any entity at any time or without notice. The Owner shall have no legal commitment or obligation to any person or entity reviewing the OM or making an offer to purchase the Property unless and until such offer is approved by Owner's financial advisors, accepted by Owner and Owner executes a purchase and sale agreement in a form acceptable to it and its legal counsel.

Accepted and Agreed to:

Prospect

Name: _____

Company: _____

Email: _____

Address: _____

City: _____ **Country:** _____

State: _____ **Zip:** _____

Signature: _____

Date: _____

RETURN TO:

Bob Gaines, Senior Vice President
Lanard & Axilbund, LLC d/b/a COLLIERS INTERNATIONAL
1801 Market St., Suite 550
Philadelphia, PA, 19103

EM: bob.gaines@colliers.com
Direct: (215-928-7538)
Mobile-410-371-3006
FX: (215) 925-1040