

STATE OF NORTH CAROLINA

CONSENT TO ASSIGNMENT OF LEASE

COUNTY OF DARE

HREM File No D1691-1JDL

THIS CONSENT TO ASSIGNMENT OF LEASE ("Consent") is made and entered into this 31st day of July, 2015, effective as of the time set forth herein below, by **Town of Nags Head, a municipality existing under the laws of the State of North Carolina ("Lessor")**, **Tar River LTC Group, LLC, a North Carolina limited liability company ("Assignor")**; **Peak Resources-Outer Banks, Inc., a North Carolina corporation ("Assignee")**.

WITNESSETH:

WHEREAS, Landlord and Assignor entered into a lease dated October 1, 2011 (the "Lease"), for the skilled nursing/assisted living facility located at 430 West Health Center Drive, Nags Head, North Carolina, and commonly known as Colony Ridge Nursing and Rehabilitation Center (the "Facility"), which Facility has one hundred twenty-six (126) nursing beds and eighteen (18) assisted living beds, for a total of one hundred forty-four (144) beds;

WHEREAS, Assignor desires to assign to Assignee all of its right, title and interest under the Lease, and Assignee agrees to assume the obligations as tenant under the Lease;

WHEREAS, Assignor and Assignee have executed a Operations Transfer Agreement for the purpose of assigning to Assignee all Assignor's interest under the Lease (the "OTA");

WHEREAS, Assignor has requested that Lessor consent to the assignment of the Lease pursuant to the OTA, and Lessor is willing to consent to the same on the following terms and conditions; and

WHEREAS, Lessor, Assignor, and Assignee all desire for Assignor to be released from any further obligations under the Lease.

NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree that Lessor does hereby consent to the assignment of the Lease from the Assignor to Assignee pursuant to the OTA, attached hereto as Exhibit A, subject, however, to the following terms, provisions, and conditions:

1. From and after the date hereof, Assignee shall be subject to all of the terms, covenants and conditions of the Lease and shall assume all obligations of Assignor under the Lease. From and after the date hereof, Assignor shall be released from any further obligations under the Lease, and the Lessor hereby waives any right to recover damages from the Assignee pursuant to Paragraph 25(b) of the Lease.

2. This Consent shall with respect to the assignment of the Lease described herein, become effective and operative only at the time such assignment becomes effective and operative under the terms of the OTA.

3. **[RESERVED]**

4. The parties hereto acknowledge and agree that all terms of the Lease remain in full force and effect without modification.

5. Assignor and Assignee certify and represent (each with respect to itself) that they have the power and authority to enter into this Consent, and that this Consent has been duly authorized by all necessary action of each of them.

6. Consent by Lessor to this Assignment shall not destroy or operate as a waiver of the prohibition contained in the Lease as to future assignments or subleases, and all such future assignments and subleases shall be made only with Lessor's prior written consent.

IN WITNESS WHEREOF, the parties hereto have executed this Consent under seal as of the day and year first above written.

**[REST OF PAGE INTENTIONALLY BLANK –
SIGNATURES ON FOLLOWING PAGES]**

ASSIGNOR:

**Tar River LTC Group, LLC, a North Carolina
limited liability company doing business as Colony
Ridge Nursing and Rehabilitation Center**

By: Karen McDaniel

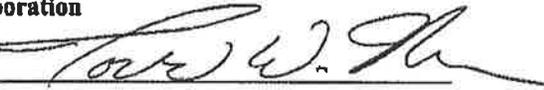
Name: **Karen McDaniel**

Title: **Interim President**

Date: July 29, 2015

ASSIGNEE:

Peak Resources-Outer Banks, Inc., a North Carolina corporation

By: 

Name: ~~Harold P. Nunn~~ Todd W. Nunn

Title: ~~President~~ Secretary

Date: July 31, 2015