SBSM 3 Holdings LLC

Footnotes and Explanations

December 31, 2023

SCHEDULE 1 TABLE 1 LINE 1.6

Name of Realty Company filing is SBSM 3 Holdings LLC. Currently listed in the software as ‘Sarah Brayton SNF Operations BHC LLC’ which is incorrectly populating as the name of the Nursing Home.

SBSM 3 Holdings LLC is the Realty Company for both Sarah Brayton SNF Operations BHC, LLC and Somerset Ridge SNF Operations BHC, LLC.

SCHEDULE 1 TABLE 1 LINE 1.12

The Realty Company’s phone number is +1 (508) 675-1001 which is incorrectly populating as blank in the software.

\*Mass CHIA is aware and instructed to note in footnotes to avoid data loss of pushing the change through the software.

SCHEDULE 1, TABLE 3, LINE 3.16

Bonadio & Co., LLP assists in cost report preparation.

**SCHEDULE 2, TABLE 2, LINES 2.5 & 2.11**

**SCHEDULE 5, TABLE 1**

The below diagnostic states that Long-Term Interest: Nursing Facilities (Schedule 2, Line 2.5, Column 2) must equal Schedule 5 (L100, C19), which it does. The edit actually forces it to equal Schedule 5 (L100, C21). Due to the system diagnostic not referencing the correct Schedule 5 Column Number, we were forced to move amortization of mortgage acquisition costs out of Other Fixed Assets, and into Long-Term Interest: Nursing Facilities on Schedule 2.

$1,280,282 Interest Expense (Schedule 5 L100 / C19)

$ 163,371 Amortization of Mortgage Acquisition Costs (Schedule 5 L100 / C11)

$1,443,653 Total (Schedule 5 L100 / C21)

A close-up of a table

Description automatically generated

NOTE: Because of this error in the Schedule 5 diagnostic Line/Column on the REA-CR, Schedule 3 (Table 4, Lines 4.3 & 4.13 Col 2) on the SNF-CR, will not match because we kept the interest and amortization broken out separately on Schedule 3 Lines 4.3 & 4.13 and not combined on interest Line 4.3.

SCHEDULE 5 TABLE 1 LINE 1.1 COLUMN 2

This note is a bridge loan as opposed to a standard mortgage, of which the realty has the option to sign an extension to extend out the maturity of the loan.