

**"Facility"** means the assisted care living facility known as "Sterling House at Lawrence," a 38-unit licensed skilled care facility located on the Land, together with any other general or specialized care facilities, if any (including any Alzheimer's care unit, subacute, and any skilled nursing facility), now or hereafter operated on the Land.

**"Franchise Agreements"** means all agreements either now or hereafter existing between Debtor and Sterling House Corporation relating to the Land to the extent assignable.

**"General Intangibles"** means all intangible personal property of Debtor arising out of or connected with the Land or the Facility (other than Accounts, Rents, Instruments, Inventory and Permits), including, without limitation, things in action, contract rights and other rights to payment of money.

**"Improvements"** means all buildings, fixtures, structures and improvements of every nature whatsoever now or hereafter situated on the Land including any future replacement and additions thereto and including the Facility.

**"Instruments"** means all instruments, chattel paper, documents or other writings obtained by Debtor from or in connection with the operation of the Land or the Facility (including without limitation, all ledger sheets, computer records and printouts, data bases, programs, books of account and files of Debtor relating thereto).

**"Inventory"** means all inventories of food, beverages and other comestibles held by Debtor for sale or use at or from the Land or the Facility, and soap, paper supplies, medical supplies, drugs and all other such goods, wares and merchandise held by Debtor for sale to or for consumption by residents, guests or patients of the Land or the Facility and all such other goods returned to or repossessed by Debtor.

**"Land"** means all the tract(s) or parcel(s) of land located in Douglas County, Kansas, as are more particularly described in Exhibit "A" attached thereto and by this reference made a part hereof.

**"Leases"** means all present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Land and/or Improvements, or any portions thereof and all modifications, extensions or renewals thereof.

**"Mortgage"** shall mean that certain Mortgage and Security Agreement by and between Secured Party and Debtor of even date herewith.