
ESSEX MEADOWS PROPERTIES, INC.

July 17, 2018

Via Electronic Mail

Mr. Rich Wysocki
Department of Social Services
Office of Certificate of Need and Rate Setting
25 Sigourney Street
Hartford, CT 06106-5033

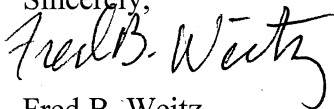
Re: Notice of Change of Ownership for Essex Meadows Properties, Inc.

Dear Mr. Wysocki:

This letter serves as notice to the Department that on or about September 14, 2018 a change of ownership is contemplated for Essex Meadows ("Community"), a continuing care facility in Essex, CT. An Asset Purchase Agreement was executed on December 29, 2017 between Essex Meadows Properties, Inc and Life Care Services Communities LLC. The buyer has completed due diligence and is working on financing for the transaction. The residents received notice of the proposed transaction via the attached letter on June 14, 2018 and subsequently at an all community meeting on June 21, 2018.

Please feel free to contact me at (515) 480-6369 if you have any questions. Thank you.

Sincerely,



Fred B. Weitz
President

cc: Fred W. Weitz, Chief Executive Officer
Jennifer Rannestad, Executive Director



30 Bokum Road,
Essex, Connecticut 06426
(860) 767-7201
info@essexmeadows.com

LIFECARE RETIREMENT COMMUNITY

June 14, 2018

Dear Residents, Employees, and Families:

We want to share with you some important news about your beautiful community. As you probably are aware, Essex Meadows as well as Sandhill Cove in Palm City, Florida, have been owned by the Weitz family of Des Moines, Iowa, through Essex Meadows, Inc., a family holding company. Fred and Steve Weitz are the principal stockholders of Essex Meadows, Inc.

Both are in their 80's and feel that it is time to sell the two retirement communities and liquidate Essex Meadows, Inc. The Weitz family has wanted to be sure that whoever purchased Essex Meadows and Sandhill Cove has the same mission, values, and commitment to serving seniors that we have had all these years. So when Life Care Services expressed an interest in buying the two communities, the Weitz family immediately commenced negotiations with LCS without offering the communities to other potential purchasers, and we have entered into a Purchase and Sale Agreement with a newly formed subsidiary of LCS.

Life Care Services, a company founded by Fred Weitz in 1971, developed Essex Meadows and Sandhill Cove and has managed them for their entire existence (since 1995) under contract with Essex Meadows, Inc. Working together, the Weitz family and LCS have built a strong level of commitment to the residents and employees of the communities. Essex Meadows, Inc., has invested significant capital to expand and renovate the communities to insure that they remain competitive.

All of this has resulted in each of these two communities becoming known as the premier life plan community in their respective market areas. Essex Meadows and Sandhill Cove provide state of the art services and amenities to our residents and fair wages and benefits to our employees. Occupancy remains high and community operations remain strong with low employee turnover, highly engaged staff, high resident satisfaction levels, and an excellent 5-star Health Center rating.

The Weitz family expects that LCS, in its role as both manager and part owner of the communities, will continue the collaborative relationship that has been established, will insure that resident interests are well represented, and that decision making is focused on the best needs of the community.



There will be no change in the people you deal with every day. Jennifer Rannestad will still be the Executive Director, and Marikate Lynch will still be the Administrator. Likewise, the current community employees will become employees under the new ownership group.

The long-term strategic focus of LCS is to grow through acquisition of high-quality senior living communities such as Essex Meadows and Sandhill Cove. Recently LCS launched a programmatic equity relationship in partnership with an institutional investor to establish a platform for investing in these opportunities. This joint venture relationship will allow LCS to continue to serve the residents of Sandhill Cove and Essex Meadows with a commitment to long-term stewardship, much like the Weitz family has demonstrated over the past 23 years.

We will miss the involvement with you wonderful residents, but we are comfortable that your future is in good hands.

Best regards to you all on behalf of the entire Weitz family.

Sincerely,

Fritz Weitz

President, Essex Meadows, Inc.

weitz_fred@msn.com

515-875-4758

June 14, 2018

LCS is excited to continue serving the residents and employees of the Sandhill Cove and Essex Meadows communities. In its roles as both manager and owner of the community, LCS will continue the collaborative relationship that has been established with the Weitz family to ensure that resident interests are well represented and decision making is focused on the best needs of the residents, employees, and the community. LCS is committed to the long term success of the community and looks forward to resident involvement.

One of our goals during the transition is to minimize any disruption you might feel. Residents and employees remain our top priority and we are committed to the following –

- We will conduct business as usual.
- We will continue to maintain the community to ensure the highest function and safety.
- We will continue to make sales and welcome new residents to the community.
- We will keep you updated throughout the process.
- The same friendly staff members will continue to provide service to you.
- We will continue to focus on your safety, well-being, and comfort.

You should feel confident that the refundable portion of your entrance fee will be handled in accordance with your residency agreement, as has been the case at the community from the very beginning. We understand that being a resident of this community requires a significant financial commitment and personal investment. The new Life Care Services owners will continue to honor the terms of your residency agreements. We will also be communicating with all our employees, vendors, and partners as part of the ownership transition, so they will hear from us directly about this change.

We know that you have many questions, but as mentioned by the Weitz family, the current Life Care Services employees – Jennifer Rannestad, Executive Director, and Marikate Lynch, Administrator – will continue as Life Care Services employees in their current roles at the community. Likewise, the current community employees will become employees under the new ownership group.

We are sure that you have many questions about LCS, how this affects you, and the transition activities regarding the sale. The LCS team, along with Fritz Weitz, will be at Sandhill Cove and Essex Meadows to hold resident and employee informational meetings June 20 through June 23 and to answer your questions. A separate communication will be distributed to residents and employees detailing the dates and times of these meetings.

We understand that you will have many questions as we move through this process. Please feel free to contact Jennifer Rannestad with these questions.

We anticipate the sale closing date will be finalized in the fall; however, there are still many details that must be completed that impact the timing. We will keep you updated on the progress.

We will work through this period as we have in the past, with great cooperation among residents and staff, continued positive outcomes, and a strong and vibrant future for everyone.

We appreciate your support of our wonderful community.

Sincerely,

Jennifer Rannestad

Jennifer Rannestad
Executive Director
rannestadjennifer@lcsnet.com
860-767-7201

Roberta McMenamin

Roberta McMenamin
VP/Director of Operations Management
mcmenaminroberta@lcsnet.com
215-384-6315