

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	§	Chapter 11
	§	Case No. 24-42473-659
MIDWEST CHRISTIAN VILLAGES, INC. et al,¹	§	Jointly Administered
	§	
Debtors.	§	Related Docket Nos. 102 and 159
	§	
	§	Hearing Date: November 6, 2024
	§	Hearing Time: 10:00 a.m. (CT)
	§	Hearing Location: Courtroom 7 North

DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE DEBTORS TO ENTER INTO AND PERFORM THEIR OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT FOR THE CARMICLINIC, (II) APPROVING THE SALE OF CERTAIN ASSETS FREE AND CLEAR OF ALL CLAIMS, LIENS, RIGHTS, INTERESTS, AND ENCUMBRANCES, (III) APPROVING THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion (the “Carmi Clinic Sale Motion”).²

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors’ federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401], (xxi) Shawnee Christian Nursing Center, LLC [0068], and (xxii) Safe Haven Hospice, LLC [6886].

² Capitalized terms used but not defined in this Carmi Clinic Sale Motion have the meaning ascribed to them in the *First Day Declaration of Kathleen (Kate) Bertram* [Docket No. 3], Bid and Sale Procedures Order (as defined herein), or the APA (as defined herein), as applicable.



Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Sale Order”): (a) authorizing and approving the Debtors’ entry into and performance under that certain asset purchase agreement, substantially in the form attached to the Sale Order as Exhibit 1 (together with all schedules, exhibits, and ancillary documents related thereto, as amended, modified, or supplemented from time to time, the “APA”), whereby Debtor Midwest Christian Villages, Inc. (the “Debtor” or the “Seller”) has agreed to sell the real property located at 1112 Oak Street, Carmi, Illinois 62821 and related assets further described below (together, the “Carmi Clinic”), and SB Properties LLC (the “Buyer,” and together with the Seller, the “Parties”) have agreed to purchase, the Carmi Clinic (including all actions taken or required to be taken in connection with the implementation and consummation of the APA, the “Sale”); (b) authorizing and approving the sale of the Carmi Clinic to the Buyer free and clear of any and all liens, claims, interests, pledges, charges, defects, caveats, security interests, hypothecations, mortgages, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or similar encumbrances, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, “Encumbrances”), except for Assumed Liabilities (as defined herein); (c) authorizing the assumption and assignment of the Assigned Contracts; and (d) granting related relief.

2. As described further below and in the *Declaration of K. Nicholas Glaisner in Support of the Carmi Clinic Sale Motion* (the “Glaisner Declaration”), attached hereto as **Exhibit B**, selling the Carmi Clinic pursuant to a separate motion outside of the sale process and procedures established in the Bid and Sales Procedures Motion will not adversely affect the Debtors’ estates.

The Carmi Clinic is a stand-alone business, not located contiguous to any of the Debtors' other facilities and is not integrally involved in their operations. As such, the other interested bidders on the Debtors' other assets did not want to include the Carmi Clinic as part of their packages of assets they desired to acquire. Moreover, because of the forgoing, including the Carmi Clinic is not likely to add value to the estates by inclusion in the auction process. Rather, its inclusion would only cause undue confusion and additional administrative expense by trying to include a "one-off" asset within the package of facilities and associated assets that the Debtors are otherwise seeking to sell through the process established in the Bid and Sale Procedures Order.

Jurisdiction and Venue

3. The United States Bankruptcy Court for the Eastern District of Missouri (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The Debtors confirm their consent to the Court entering a final order in connection with this Carmi Clinic Sale Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

4. The bases for the relief requested herein are §§ 105(a), 363, and 365 of title 11 of the United States Code (the "Bankruptcy Code"), rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and rule 9013-1 of the Local Bankruptcy Rules for the Eastern District of Missouri (the "Local Rules").

Background

5. On July 16, 2024 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. A detailed description of the Debtors, their businesses, and the facts and circumstances supporting the Debtors' chapter 11 cases and this

Carmi Clinic Sale Motion are set forth in greater detail in the First Day Declaration, which is incorporated herein by reference.

6. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

7. On July 19, 2024, the Court entered the *Interim Order (I) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing* [Docket No. 60] (the “First Interim DIP Order”).

8. On July 29, 2024, the Court entered the *Interim Order Granting Motion for the Entry of: (A) an Order: (1) Approving Auction Sale Format and Bidding Procedures; (2) Approving Process for Discretionary Selection of Stalking Horse Bidder and Bid Protections; (3) Approving Notices to be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest and Best Bidder; and (5) Approving Procedures related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (B) an Order Authorizing the Sale of Property Free and Clear of All Claims, Liens and Encumbrances* [Docket No. 102] (the “Interim Bid and Sale Procedures Order”).

9. On August 8, 2024, the United States Trustee for the Eastern District of Missouri (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”) [Docket No. 121].

10. On August 16, 2024, the Court entered the *Second Interim Order (I) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession*

to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing [Docket No. 160] (the “Second Interim DIP Order”). On September 14, 2024, the Court entered the *Third Interim Order (I) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing [Docket No. 309] (the “Third Interim DIP Order”).* On September 22, 2024, the Court entered the *Fourth Interim Order (I) Authorizing Debtors in Possession to Obtain Post-Petition Financing; (2) Authorizing Debtors in Possession to Use Cash Collateral; (3) Providing Adequate Protection; (4) Granting Liens, Security Interests and Superpriority Claims; and (5) Scheduling a Final Hearing [Docket No. 334] (the “Fourth Interim DIP Order,” together with the First Interim DIP Order, Second Interim DIP Order, and Third Interim DIP Order, the “DIP Orders”).* Under DIP Orders the Debtors were authorized to enter into and perform under that certain DIP Credit Agreement (as amended, modified, and supplemented from time to time, the “DIP Credit Agreement”).

11. Also on August 15, 2024, the Court entered the and the *Final Order Granting Motion for the Entry of: (A) an Order: (1) Approving Auction Sale Format and Bidding Procedures; (2) Approving Process for Discretionary Selection of Stalking Horse Bidder and Bid Protections; (3) Approving Notices to be Provided to Interested Parties; (4) Scheduling a Court Hearing to Consider Approval of the Sale to the Highest and Best Bidder; and (5) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; and (B) an Order Authorizing the Sale of Property Free and Clear of all Claims, Liens and Encumbrances [Docket No. 159] (the “Final Bid and Sale Procedures Order,” together with the Interim Bidding Procedures Order, the “Bid and Sale Procedures Order”).*

The Proposed Sale

12. Since July 2024, the Debtors have been engaged in negotiations with the Buyer regarding the terms of a sale transaction of certain of the Debtors' assets. Over the next several months, the Company and the Buyer continued these discussions and negotiated issues related to the Sale at arm's length and in good faith negotiations. The Debtors, with the assistance of B.C. Ziegler and Company ("Ziegler") as financial advisor, launched a comprehensive marketing process to engage third parties in a potential sale transaction of some or substantially all of the assets and/or equity interests in the company, including the Carmi Clinic. In the months that followed, and prior to the Petition Date, over 35 potential financial and strategic partners were initially contacted to solicit interest in acquiring some or substantially all of the assets and/or interests in the company outside of chapter 11 or structuring a sale or other investment in the Company through a chapter 11 plan (the "Prepetition Marketing Process"). See Glaisner Declaration at ¶ 8.

13. The Debtors have continued the marketing process postpetition (collectively, with the Prepetition Marketing Process, the "Marketing Process") in accordance with the Bidding Procedures Order. Since the bankruptcy case filing, Ziegler has reached out to over 3000 additional potential purchasers. *Id.* Among these potential purchasers, 115 executed NDAs and reviewed offering documents. *Id.* The Debtors have received multiple bids as a result of the Marketing Process and the Marketing Process with respect to the sale of substantially all of the Debtors' assets or reorganized equity is ongoing.

14. However, the Carmi Clinic sought to be sold here is a separate building which houses a therapy and hospital clinic. It is not located contiguous to any of the Debtors' other facilities and not integrated with the Debtors' other operations. The Debtors believe that the APA

offers the highest and best price the debtors are likely to receive for the Carmi Clinic and thereby increase the amount the estate is able to realize.

15. The Buyer is in a unique position to evaluate the Carmi Clinic and also incentivized to offer the highest and best purchase price as a current employee of the Debtor, who is familiar with the Carmi Clinic but is not an officer or director of the Debtors and made the offer to purchase the Carmi Clinic and negotiated the same at an arms-length with the Debtors’ advisors and counselors.

16. Given the unique nature of the Carmi Clinic, by breaking this sale out as a separate sale outside the larger sales process contemplated and approved in the Bid and Sales Procedures Order and will not negatively impact the larger sales process

17. Accordingly, having conducted the Marketing Process described above, which commenced in April 2024 with the assistance of Ziegler, the Debtors now seek entry of an order authorizing the Debtor to enter into and perform under the APA. Pursuant to the APA, the Buyer will purchase the Carmi Clinic free and clear of any Encumbrances in exchange for (i) the assumption of the Assumed Liabilities and (ii) a cash payment of \$750,000 (collectively, the “Purchase Price”).

18. The following chart summarizes the key terms and conditions of the APA in accordance with the Court’s Chapter 11 Guidelines on Sales and Sale Procedures Motions:³

Provision	Summary Description
Parties	<u>Seller</u> : Midwest Christian Villages, Inc. <u>Buyer</u> : SB Properties LLC
Carmi Clinic	“ <u>Carmi Clinic</u> ” shall mean the real property located at 1112 Oak Street, Carmi, Illinois 62821, the Commitment legal description to govern, together with (i) all improvements, structures and fixtures situated on or attached to such real property, (ii) all and singular the

³ This summary is provided for the convenience of the Court and parties in interest. To the extent there is any conflict between this summary and the APA, the APA shall govern in all respects. Capitalized terms used in the following summary shall have the meanings ascribed to them in the APA.

Provision	Summary Description
	<p>rights and appurtenances pertaining to such real property, including any easements and private roads and rights of way; (iii) all right, title and interest of Seller in and to adjacent streets, alleys and rights-of-way; (iv) any and all water, water rights, oil, mineral rights, gas or minerals lying within or which are appurtenant to such real property and any rights with respect thereto; (v) any and all leases and security deposits, if any; (vi) all tangible and intangible personal property owned by Seller and used in connection with the Property; (vii) all warranties or guaranties with respect to any portion of the Property; (viii) all licenses and permits related to the Property.</p> <p><i>See APA, § 1.</i></p>
<p>Date, Time, and Place of Sale</p>	<p>The closing of the purchase and sale of the Carmi Clinic shall occur on the Closing Date at the offices of the Title Company; provided that Buyer may designate a date for Closing prior thereto upon the delivery of written notice thereof given to Seller not less than two (2) Business Days prior to the desired date of Closing. A party to the APA will not be required to be present in person at such Closing if such party has delivered all of the items it is required to deliver at the Closing to the Title Company on or before the Closing; provided however, that if such items have been delivered to the Title Company with escrow instructions, such instructions must be consistent with the provisions of the APA.</p> <p>The date on which the Closing actually occurs is referred to as the “<u>Closing Date</u>.”</p> <p><i>See APA, §§ 1 and 9.</i></p>
<p>Purchase Price</p>	<p>The assumption of the Assumed Liabilities and a cash payment of \$750,000.</p> <p><i>See APA, § 1.</i></p>
<p>Broker’s Fee</p>	<p>Except for B.C. Ziegler & Co., for which Sellers shall be responsible, no broker, investment banker, finder, financial advisor, other intermediary, or other Person is entitled to any fee, commission, or the reimbursement of expenses.</p> <p>There is no investment banker, broker, finder, or other intermediary which has been retained by or is authorized to act on behalf of Buyer that might be entitled to any fee or commission in connection with the Transactions.</p> <p><i>See APA, § 12.</i></p>
<p>Assumed Liabilities</p>	<p>On the terms and subject to the conditions set forth in the APA and in the Sale Order, effective as of the Closing, Buyer shall irrevocably assume from Seller, shall irrevocably transfer, assign, convey, and deliver to Buyer, only the following Liabilities, without duplication and only to the extent not paid prior to the Closing (collectively, the “<u>Assumed Liabilities</u>”):</p> <p><i>Not applicable</i></p>
<p>Excluded Liabilities</p>	<p>Buyer shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liabilities of, or Action against, any Seller of any kind or nature whatsoever, whether absolute, accrued, contingent or otherwise, liquidated or unliquidated, due or to become due, known or unknown, currently existing or hereafter arising, matured or unmatured, direct or indirect, and however arising, whether existing on the Closing Date or arising thereafter as a result of any act, omission, or circumstances taking place prior to the Closing, other than the Assumed Liabilities (all such Liabilities that are not Assumed Liabilities being referred to collectively herein as the “<u>Excluded Liabilities</u>”).</p>
<p>Releases</p>	<p>After the Closing Date, Seller shall be released from any further liability under any and all contracts assumed by Buyer as provided for under Section 365(k) of the Bankruptcy Code. Buyer shall assume all obligations from and after the Closing Date under such contracts,</p>

Provision	Summary Description
	<p>and at such time as is required by the Bankruptcy Court in the Sale Order, shall pay cash or other acceptable consideration to the third party (or parties) to the applicable assumed contract in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller (or obtain waivers with respect thereto), and to provide adequate assurance of future performance under such contracts.</p> <p><i>See APA § 15(d).</i></p>
Earnest Money	<p>Within five (5) days following the later to occur of the Effective Date or the date the APA is fully signed by all parties, Buyer shall deposit the Earnest Money at the Title Company. The Title Company shall hold the Earnest Money for the mutual benefit of the parties. At Closing, the Title Company shall pay the Earnest Money to Seller and such payment shall be credited against the Purchase Price payable by Buyer under the APA on the Closing Statement.</p> <p><i>See APA § 4.</i></p>
Sale of Property Free and Clear of Leasehold Interest, License, or Other Right	<p>The Sale Order provides for the sale of the Carmi Clinic to the Buyer free and clear of any Encumbrances, except for Assumed Liabilities.</p>
6004(h) and 6004(d) Waivers	<p>In order to close the Sale in a timely fashion, the Debtors seek a waiver of the stay imposed by Bankruptcy Rules 6004(h) or 6006(d).</p>

19. The Debtors believe that the proposed Sale is in the best interests of the Debtors and their estates, as it serves to maximize the value of the Carmi Clinic. After extensive negotiations with the Buyer, and a market check that spanned months both prior to and after the Petition Date, the Purchase Price is the highest or otherwise best offer for the Carmi Clinic, the Sale minimizes disruption to the Debtors’ businesses, and the Buyer has the financial capacity to close the Sale quickly, minimizing any administrative burden to the Debtors. Accordingly, for the reasons stated herein and below, entering into the APA and consummating the Sale of the Carmi Clinic on the terms set forth in the APA is fair, reasonable, and represents a sound exercise of the Debtors’ business judgment. Accordingly, the Debtors respectfully request that the Court approve the Sale of the Carmi Clinic on the terms set forth herein.

Basis for Relief Requested

I. The Sale and Entry into the APA Should Be Approved.

20. Section 363(b) of the Bankruptcy Code permits a debtor, subject to court approval, to enter into a transaction outside the ordinary course of its business so long as there is a “sound business purpose” that justifies such action. *See* 11 U.S.C. § 363(b)(1); *see also Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (“[U]nder normal circumstances the court would defer to the trustee’s judgment so long as there is a legitimate business justification.”) (citation omitted); *see also In re Food Barn Stores, Inc.*, 107 F.3d 558, 564–65 (8th Cir. 1997) (recognizing that paramount goal of any proposed sale of property of estate is to maximize value); *Crystalin, LLC v. Selma Props. Inc. (In re Crystalin, LLC)*, 293 B.R. 455, 463–64 (B.A.P. 8th Cir. 2003); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983) (holding that judicial approval under section 363 of the Bankruptcy Code requires a showing that there is a good business reason).

21. The business judgment rule shields a debtor’s decisions from judicial second-guessing. Once a debtor articulates a valid business justification, the business judgment rule “is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the company.” *In re S.N.A. Nut Co.*, 186 B.R. 98, 102 (Bankr. N.D. Ill 1995) (citations omitted); *In re Filene’s Basement, LLC*, 11-13511 (KJC), 2014 WL 1713416, at *12 (Bankr. D. Del. Apr. 29, 2014) (“If a valid business justification exists, then a strong presumption follows that the agreement at issue was negotiated in good faith and is in the best interests of the estate.”) (citations omitted); *see also In re Johns-Manville Corp.*, 60 B.R. 612, 615–16 (Bankr. S.D.N.Y. 1986) (“[A] presumption of reasonableness attaches to a debtor’s management

decisions.”). Thus, if a debtor’s actions satisfy the business judgment rule, then the transaction in question should be approved under section 363(b)(1) of the Bankruptcy Code.

22. The Debtors submit that the proposed Sale is a sound exercise of the Debtors’ business judgment. Among other things, the value generated by the Sale outweighs any benefits of maintaining the Carmi Clinic. Consummating the Sale on the terms set forth herein will allow the Debtors to maximize the value of the Debtors’ estates and allow the tenants located therein to continue to operate their successful, ongoing businesses in a rural location providing essential therapy and hospital clinic services the residents in that area.

23. The Buyer has adequate cash on hand to consummate the Sale on an expeditious timeline, without the need to finalize and secure funding, and after a robust Marketing Process, the Debtors are unaware of any potential alternative purchasers interested in the Carmi Clinic.

24. The Debtors believe that the Purchase Price is the highest and best value that the Debtors can reasonably expect to receive for the Carmi Clinic and will provide a greater recovery for the Debtors’ estates than would any other available alternative. In reaching this conclusion, the Debtors weighed multiple factors, including, the amount and timing of consideration, the timeframe required to consummate the Sale, and the assets purchased.

25. The Debtors have also provided fair and reasonable notice to all interested persons. Additionally, the Debtors have been marketing the Assets for and, beginning in April 2024, the Debtors, with the assistance of Ziegler, ran the Marketing Process described above. As part of this process, Ziegler solicited interest from over 50 parties through the Marketing Process as of this date. This robust level of marketing, combined with the sustained interest from the Buyer and the strength of the terms of the Sale, reflects the comprehensiveness of the marketing of the Carmi Clinic. It also demonstrates that notice was provided to all interested parties.

II. The Sale was Negotiated in Good Faith and Without Collusion, and the Buyer is a “Good-Faith Purchaser.”

26. The Debtors request that the Court find that the Buyer is entitled to the benefits and protections provided by §363(m) of the Bankruptcy Code in connection with the Sale.

Section 363(m) of the Bankruptcy Code provides in pertinent part:

[t]he reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

27. Section 363(m) of the Bankruptcy Code thus protects the purchaser of assets sold pursuant to § 363 of the Bankruptcy Code from the risk that it will lose its interest in the purchased assets if the order allowing the sale is reversed on appeal, as long as such purchaser leased or purchased the assets in “good faith.” *See id.* While the Bankruptcy Code does not define “good faith,” courts have held that a purchaser shows its good faith through the integrity of its conduct during the course of the sale proceedings, finding that where there is a lack of such integrity, a good-faith finding may not be made. *See, e.g., In re Abbotts Dairies*, 788 F.2d 143, 147 (3d Cir. 1986) (“Typically, the misconduct that would destroy a [buyer’s] good faith status at a judicial sale involves fraud, collusion between the [proposed buyer] and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.”); *In re Andy Frain Servs., Inc.*, 798 F.2d 1113, 1125 (7th Cir. 1986) (same); *In re Sasson Jeans, Inc.*, 90 B.R. 608, 610 (S.D.N.Y. 1988) (same), *abrogated on other grounds, Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P’ship*, 507 U.S. 380 (1993).

28. The Debtors submit that the Buyer is a “good faith purchaser” within the meaning of § 363(m) of the Bankruptcy Code and that the APA is a good-faith agreement on arms’-length terms entitled to the protections of section 363(m) of the Bankruptcy Code. The consideration to be received by the Debtors pursuant to the APA is substantial, fair, and reasonable under the circumstances.

29. The APA is the culmination of a fair and transparent marketing and negotiation process in which all Parties were represented by competent counsel and all negotiations were be conducted on an arm’s-length, good-faith basis. There is no indication of any “fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders” or similar conduct that would cause or permit the Sale or the APA to be avoided under § 363(n) of the Bankruptcy Code.

30. The Sale was evaluated and approved by the Debtors in consultation with their advisors, the Committee, and with the consent of the DIP Lender, along with potential alternatives to the Sale.

31. Furthermore, the Buyer and the Debtors are wholly unrelated, sharing no officers, directors, shareholders, incorporators, employees, or economic interests—other than as embodied in these transactions—in common, and the Buyer is not an “insider” as that term is defined in the Bankruptcy Code. 11 U.S.C. § 101(31).

32. Accordingly, the Debtors believe that the Buyer and the APA should be entitled to the full protections of § 363(m) of the Bankruptcy Code and that the Sale is a sound exercise of the Debtors’ business judgement and in the best interest of the estates and all interested parties. Thus, the Debtors submit that the Sale should therefore be approved pursuant to sections 105(a) and 363 of the Bankruptcy Code.

III. The Sale Should be Approved “Free and Clear” Under Section 363(f) of the Bankruptcy Code.

33. Section 363(f) of the Bankruptcy Code permits a debtor to sell property free and clear of another party’s interest in the property if: (a) applicable nonbankruptcy law permits such a free and clear sale; (b) the holder of the interest consents; (c) the interest is a lien and the sale price of the property exceeds the value of all liens on the property; (d) the interest is the subject of a bona fide dispute; or (e) the holder of the interest could be compelled in a legal or equitable proceeding to accept a monetary satisfaction of its interest. *See* 11 U.S.C. § 363(f).

34. Section 363(f) of the Bankruptcy Code is drafted in the disjunctive. Thus, satisfaction of any of the requirements enumerated therein will suffice to warrant the Sale free and clear of all Encumbrances, except with respect to any Assumed Liabilities. *See In re Kellstrom Indus., Inc.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“[I]f any of the five conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.”); *In re Otologics, L.L.C.*, No. 12-47045-705, 2012 WL 4043895, at *5 (Bankr. E.D. Mo. Sept. 6, 2012) (allowing sale free and clear of all liens because “one or more of the standards set forth in Bankruptcy Code sections 363(f)(1)-(5) has been satisfied”); *see also Citicorp Homeowners Servs., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 354 (E.D. Pa. 1988) (holding that a sale “free and clear” may be approved provided the requirements of at least one subsection are met).

35. The Debtors submit that, to the extent any Encumbrance will not be an Assumed Liability, any such Encumbrance satisfies or will satisfy at least one of the five conditions of § 363(f) of the Bankruptcy Code. Further, any such Encumbrance will be adequately protected by either being paid in full at the time of Closing or by having it attach to the proceeds of the Sale, subject to any claims and defenses the Debtors may possess with respect thereto. Accordingly, the Debtors request authority to convey the Carmi Clinic to the Buyer free and clear

of all Encumbrances, other than Assumed Liabilities, with any such Encumbrances to attach to the proceeds of the Sale.

IV. The Proposed Sale is Appropriate Pursuant to Bankruptcy Rule 6004(f).

36. Bankruptcy Rule 6004(f) authorizes a debtor to sell estate property outside of the ordinary course of business by private sale or public auction. Private sales by a debtor outside of the ordinary course of business are appropriate where the debtor demonstrates that the sale is permissible pursuant to section 363 of the Bankruptcy Code. *See In re MTE Holdings LLC*, No. 19-12269 (CTG), 2021 WL 3743201, at *6 (Bankr. D. Del. Aug. 17, 2021) (“While the Bankruptcy Code requires court approval of a sale of estate property outside the ordinary course of a debtor’s business . . . it does not by its terms require an auction.”); *see also In re The Great Atl. & Pac. Tea Co., Inc.*, 544 B.R. 43, 49–50 (Bankr. S.D.N.Y. 2016) (“[T]here is no rule that . . . asset sales are . . . conditioned on such a requirement [a formal auction], which does not appear in the Bankruptcy Code or Bankruptcy Rules.”). Additionally, courts have held that a debtor has broad discretion to determine the manner in which its assets are sold. *See In re Bakalis*, 220 B.R. 525, 531 (Bankr. E.D.N.Y. 1998) (noting that a trustee has ample authority to conduct a sale of estate property through private sale).

37. Here, there are sound business reasons for the Sale, and the proposed Sale is the best available option to maximize the value of the Carmi Clinic for the benefit of the Debtors’ estates and approving the Motion outside of the procedures established by the Bid and Sales Procedures Order. Moreover, the net recovery to the estate can be maximized by the approval of the Motion and help preserve a stable base of operations for a vital businesses providing an underserved area with important services and provide gainful employment of those businesses’ employees. For these reasons, selling the Carmi Clinic to the Buyer without an auction is appropriate under Bankruptcy Rule 6004(f).

V. The Assumption and Assignment of the Assigned Contracts Should Be Approved.

A. The Assumption and Assignment of the Assigned Contracts Reflects the Debtors Reasonable Business Judgment.

38. To facilitate and effectuate the Sale, the Debtors are seeking authority for Midwest Christian Villages, Inc. to assign certain contracts to the Buyer in accordance with the terms of the APA. Pursuant to the sale of the Carmi Clinic, the Debtors contemplate that the Buyer will assume and the Debtors will assign (1) a lease agreement with tenant, Hamilton Memorial Hospital District, who itself has a sublease with St. Vincent Health, Wellness and Preventative Care Institute and (2) a lease agreement with tenant Aegis Group Practice, LLC (the “Assigned Contracts”). Neither lease in default by the applicable parties thereto.

39. Section 365 of the Bankruptcy Code authorizes a debtor to assume and/or assign their executory contracts and unexpired leases, subject to the approval of the court, provided that the defaults under such contracts and leases are cured and adequate assurance of future performance is provided. A debtor’s decision to assume or reject an executory contract or unexpired lease must only satisfy the “business judgment rule” and will not be subject to review unless such decision is clearly an unreasonable exercise of such judgment. *See, e.g., Grp. of Inst’l Invs. v. Chicago, Milwaukee, St. Paul & Pacific Ry. Co.*, 318 U.S. 523 (1943) (applying Bankruptcy Act section 77(b), predecessor to Bankruptcy Code section 365, and rejecting test of whether executory contract was burdensome in favor of whether rejection is within a debtor’s business judgment); *see also In re Noranda Aluminum, Inc.*, 549 B.R. 725, 727–28 (Bankr. E.D. Mo. 2016) (in the Eighth Circuit, the business judgment test “entails a determination that the transaction is in the best interest of the estate” (quoting *Four B Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.)*, 107 F.3d 558, 567 n. 16 (8th Cir. 1997))). *Sharon Steel Corp. v. Nat’l Fuel Gas Distrib. Corp.*, 872 F.2d 36, 40 (3d Cir. 1989) (describing deference to a debtor’s

business judgment as “breathing space afforded [to] the debtor to consider whether to reject or assume executory contracts under the [Bankruptcy] Code.”); *In re S.A. Holding Co., LLC*, 357 B.R. 51, 56 (Bankr. D.N.J. 2006) (applying the business judgment test in determining whether to approve a contract rejection).

40. Here, the Court should approve the decision to assume and assign the Assigned Contracts in connection with the Sale as a sound exercise of the Debtors’ business judgment. The Assigned Contracts are necessary to operate the Carmi Clinic and, as such, the assumption and assignment of the Assigned Contracts is essential to inducing the best offer for the Carmi Clinic. The Buyer would not want to acquire the Carmi Clinic unless the Assigned Contracts needed to manage the day-to-day operations, among other things, were included in the proposed Sale. The assignment of the Assigned Contracts is necessary and appropriate under the circumstances in connection with the Sale, is integral to the Debtors’ overall restructuring efforts, and the Buyer has demonstrated that it can reasonably carry on the obligations under the Assigned Contracts.

41. Lastly, any assumption and assignment of contracts or unexpired leases will be consummated in accordance with the assumption and assignment procedures previously approved by the Court in the Bid and Sale Procedures Order, thereby giving the counterparties thereto appropriate notice and opportunity to object to any assumption and assignment, including with respect to proposed cure amounts. Thus, the counterparties to the Assigned Contracts will be treated fairly and equitably because (i) any existing defaults under the Assigned Contracts will be promptly cured by the Debtors and (ii) counterparties will be given appropriate notice and opportunity to object to any assumption and assignment, including with respect to proposed cure amounts, pursuant to the assumption and assignment procedures previously approved by the Court.

42. Accordingly, the Debtors submit that the assumption of the Assigned Contracts and their assignment to the Buyer should be approved as an exercise of the Debtors business judgment.

B. Non-Debtor Parties Will Be Adequately Assured of Future Performance.

43. Similarly, the Debtors submit that the third requirement of § 365(b) of the Bankruptcy Code—adequate assurance of future performance—is also satisfied given the facts and circumstances present here. “The phrase ‘adequate assurance of future performance,’ adopted from § 2-609(1) of the Uniform Commercial Code, is to be given a practical, pragmatic construction based upon the facts and circumstances of each case. Although no single solution will satisfy every case, the required assurance will fall considerably short of an absolute guarantee of performance.” *Carlisle Homes*, 103 B.R. at 538 (internal citations omitted). Among other things, adequate assurance may be given by demonstrating the assignee’s financial health and experience in managing the type of enterprise or property assigned. *See In re Filene’s Basement*, 2014 WL 1713416, at *12 (holding that a contract could be assigned because the assignee had the financial ability to perform the contract obligations going forward and would not fail to perform the contract’s obligations at risk of losing a significant investment); *In re Bygaph, Inc.*, 56 B.R. 596, 605–06 (Bankr. S.D.N.Y. 1986) (adequate assurance of future performance present where a prospective assignee has financial resources and has expressed a willingness to devote sufficient funding to a business to give it a strong likelihood of succeeding).

44. Here, the Debtors evaluated the financial wherewithal of the Buyer before finalizing the APA (*e.g.*, financial credibility, willingness, and ability of the interested party to perform under the Assigned Contracts). The Buyer has demonstrated such financial wherewithal, willingness, and ability to perform under the Assigned Contracts. Further, the Court and other interested parties will have ample opportunity to evaluate the ability of the Buyer to provide adequate assurance of future performance and object to the assumption of the Assigned Contracts

or proposed cure amounts. Accordingly, the Debtors will provide adequate assurance to the affected Assigned Contracts in advance of the Sale Hearing if requested by the applicable counterparty or counsel thereto.

VI. Use of Proceeds

45. Upon approval of the Motion the Debtors request authority to use the cash proceeds as authorized under the Orders approving the use of Cash Collateral and DIP Financing and any budgets as appended thereto, and/or as amended and agreed to by the Debtors and the DIP Lender after approval of this Carmi Clinic Sale Motion is sought and/or granted.

VII. Relief Under Bankruptcy Rules 6004(h) and 6006(d) is Appropriate.

46. Bankruptcy Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of fourteen days after the entry of the order, unless the court orders otherwise.” Additionally, Bankruptcy Rule 6006(d) provides that an “order authorizing the trustee to assign an executory contract or unexpired lease . . . is stayed until the expiration of fourteen days after the entry of the order, unless the court orders otherwise.” The Debtors request that the Sale Order be effective immediately upon its entry by providing that the fourteen-day stays under Bankruptcy Rules 6004(h) and 6006(d) are waived.

47. The purpose of Bankruptcy Rules 6004(h) and 6006(d) is to provide sufficient time for an objecting party to appeal before an order can be implemented. *In re Filene’s Basement*, 2014 WL 1713416, at *14; *see* Advisory Committee Notes to Fed. R. Bankr. P. 6004(h) and 6006(d). Although Bankruptcy Rules 6004(h) and 6006(d) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the fourteen-day stay period, the leading treatise on bankruptcy suggests that the fourteen-day stay should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to procedure.” 10 *Collier on Bankruptcy* ¶ 6004.11, ¶ 6004.04 (16th rev. ed. 2014).

Furthermore, if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. *Id.*; see *In re Filene's Basement*, 2014 WL 1713416, at *14 (reducing the stay to seven days from the date of entry of the sale order).

48. To maximize the value received for the Carmi Clinic and reduce accrual of administrative expenses relating to such assets, the Debtors seek to close the Sale as soon as possible after the Sale Hearing. Accordingly, the Debtors hereby request that the Court waive the fourteen-day stay period under Bankruptcy Rules 6004(h) and 6006(d).

No Prior Request

49. No prior request for the relief sought in this Carmi Clinic Sale Motion has been made to this or any other court.

Notice

50. This Carmi Clinic Sale Motion and notice of this Motion will be served respectively on the current Master Service List and the current Master Notice List. Notice of this Carmi Clinic Sale Motion and any order entered hereon will be served in accordance with Local Rule 9013-3(A)(1). The Debtors submit that, under the circumstances, no other or further notice is required.

WHEREFORE, the Debtors respectfully request that the Court enter an order, in substantially the form submitted herewith, granting the relief requested herein and such other relief as is just and proper under the circumstances.

Dated: October 15, 2024
St. Louis, Missouri

Respectfully submitted,

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/s/ Stephen O'Brien

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Exhibit A

Proposed Sale Order

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

In re:	§	Chapter 11
	§	
MIDWEST CHRISTIAN VILLAGES, INC. <i>et al</i>,	§	Case No. 24-42473-659
	§	
Debtors.	§	Jointly Administered
	§	
	§	Related Docket No. [•]
	§	
	§	

ORDER (I) AUTHORIZING THE DEBTORS TO ENTER INTO AND PERFORM THEIR OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT, (II) APPROVING THE SALE OF CERTAIN ASSETS FREE AND CLEAR OF ALL CLAIMS, LIENS, RIGHTS, INTERESTS, AND ENCUMBRANCES, (III) APPROVING THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

Upon the *Debtors’ Motion for Entry of an Order (I) Authorizing the Debtors to Enter into and Perform their Obligations Under the Asset Purchase Agreement, (II) Approving the Sale of Certain Assets Free and Clear of all Claims, Liens, Rights, Interests, and Encumbrances, (III) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* (the “Motion”),² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for entry of an order (this “Sale Order”) (a) authorizing and approving the Debtors’ entry into and performance under the APA, substantially in the form attached hereto as **Exhibit 1**, (b) authorizing and approving the Sale of the Carmi Clinic free and clear of any and all Encumbrances, except Assumed Liabilities (c) authorizing the assumption and

² Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Motion or the APA, as applicable.

assignment of the Assigned Contracts, and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having found that sufficient cause exists for the relief set forth herein; and upon adequate and sufficient notice of the Motion, the APA, and all other related transactions contemplated thereunder and in this Sale Order, and it appearing that no other or further notice need be provided; and all interested parties having been heard or having been afforded an opportunity to be heard with respect to the Motion and all relief related thereto; and the Sale Hearing having been held on [•], 2024; and the Court having reviewed and considered the Motion, all relief sought therein and related thereto and any objections thereto; and upon the full record in support of the relief requested by the Debtors in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors have identified the offer by the Buyer as the highest or otherwise best offer for the Carmi Clinic; and this Court having found that sufficient cause exists for the relief set forth herein; and this Court having found that the Debtors' notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having determined that the legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein; and this Court having found that, after an extensive marketing process by the Debtors, the Buyer has submitted the highest or otherwise best offer for the Carmi Clinic; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest; and upon the full record of these chapter 11 cases and all other pleadings; and

upon all of the proceedings had before the Court and after due deliberation thereon, and good and sufficient cause appearing therefor **THE COURT HEREBY FINDS THAT:**³

I. Jurisdiction, Final Order, and Statutory Predicates.

- A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
- C. The statutory predicates for the relief requested in the Motion are §§ 105(a), 363, and 365 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014.
- D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Sale Order, waives any stay, and expressly directs entry of judgment as set forth herein.

II. Notice of the APA, the Sale, and the Sale Hearing.

- E. As evidenced by the affidavits of service previously filed with the Court and based on the representations of counsel at the Sale Hearing, due, proper, timely, adequate, and sufficient notice of the Motion, the Sale Hearing, the APA, this Sale Order, and the Sale has been provided in accordance with §§ 102(1) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 9007, 9008 and 9014, and the Local Rules. The Debtors have complied with all obligations to provide notice of the Motion, the Sale Hearing, the APA, this Sale Order, and the Sale. The aforementioned notices are good, sufficient, and appropriate under the circumstances, and no other

³ The findings of fact and conclusions of law herein constitute the Court's findings of fact and conclusions of law for the purposes of Bankruptcy Rule 7052, made applicable pursuant to Bankruptcy Rule 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such.

or further notice of the Motion, the Sale Hearing, the APA, this Sale Order, or the Sale is, or shall be, required. The requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

F. A reasonable opportunity to object and be heard with respect to the Sale, the Motion, and the relief requested therein and provided in this Sale Order has been afforded to all interested persons and entities.

III. Good Faith of the Buyer.

G. The APA was negotiated, proposed, and entered into by the Debtors and the Buyer without collusion, in good faith, and from arm's-length bargaining positions and is substantively and procedurally fair to all parties. Neither the Debtors nor the Buyer has engaged in any conduct that would cause or permit the APA or the Sale to be avoided, or for any costs or damages to be imposed, under § 363(n) of the Bankruptcy Code.

H. As demonstrated by (i) any testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, substantial marketing efforts and a competitive sale process were conducted and, among other things, (a) the Buyer in no way induced or caused any chapter 11 filing by the Debtors and (b) all payments to be made by the Buyer in connection with the Sale have been disclosed. The Buyer is consummating the Sale in good faith and is a good faith buyer within the meaning of § 363(m) of the Bankruptcy Code and is not an "insider" of any Debtor (as defined under § 101(31) of the Bankruptcy Code). The Buyer has proceeded in good faith in all respects in connection with the Sale. The Buyer is therefore entitled to all of the protections afforded under section 363(m) of the Bankruptcy Code.

IV. Highest or Otherwise Best Offer.

I. The Marketing Process with respect to the Carmi Clinic afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Carmi Clinic. The APA, including the form and total consideration to be realized by the Debtors under the APA, (i) constitutes the highest and best offer for the Carmi Clinic; (ii) is fair and reasonable; and (iii) is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest.

J. The Debtors' determination that the APA, including the consideration provided by the Buyer under the APA, constitutes the highest and best offer for the Carmi Clinic and constitutes a valid and sound exercise of the Debtors' business judgment.

K. Approval of the Motion, the APA, and the consummation of the Sale is in the best interests of the Debtors' estates, their creditors, and other parties in interest.

V. No Merger.

L. Neither the Buyer nor any of its affiliates are a mere continuation of Midwest Christian Villages, Inc. or any other Debtor or their estates and there is no continuity of enterprise or common identity between the Buyer or any of its affiliates, on the one hand, and Midwest Christian Villages, Inc. or any other the Debtors, on the other hand. Neither the Buyer nor any of its affiliates are holding themselves out to the public as a continuation of Midwest Christian Villages, Inc. or any other Debtors. Neither the Buyer nor any of its affiliates are successors to Midwest Christian Villages, Inc. or any other the Debtors or their estates by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or *de facto* merger of the Buyer or any of its affiliates with or into Midwest Christian Villages, Inc. or any other Debtor.

VI. No *Sub Rosa* Plan.

M. The Sale and the transactions arising thereunder do not constitute a *sub rosa* chapter 11 plan. The Sale neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates a chapter 11 plan for any of the Debtors.

VII. Validity of Transfer.

N. The APA was not entered into for the purpose of hindering, delaying, or defrauding creditors under the Bankruptcy Code or under the laws the United States, any state, territory, possession, the District of Columbia, or any foreign country. None of the Debtors or the Buyer is entering into the transactions contemplated by the APA fraudulently for the purpose of statutory or common law fraudulent conveyance or fraudulent transfer claims.

O. The Debtors are the sole and lawful owners of the Carmi Clinic. The Carmi Clinic constitutes property of the Debtors' estates and title thereto is vested in the Debtors' estates within the meaning of § 541(a) of the Bankruptcy Code. Pursuant to § 363(f) of the Bankruptcy Code, the transfer of the Carmi Clinic to the Buyer will be, as of the Closing Date, a legal, valid, and effective transfer of the Carmi Clinic, which transfer vests or will vest the Buyer with all right, title, and interest of the Debtors to the Carmi Clinic free and clear of (a) all liens (including any liens as that term is defined in § 101(37) of the Bankruptcy Code) and encumbrances relating to, accruing, or arising at any time prior to the Closing Date (collectively, the "Liens"), and (b) all debts arising under, relating to, or in connection with any act of the Debtors or claims (as that term is defined in § 101(5) of the Bankruptcy Code), liabilities, obligations, demands, guaranties, options in favor of third parties, rights, contractual commitments, restrictions, interests, mortgages, hypothecations, charges, indentures, loan agreements, instruments, collective bargaining agreements, leases, licenses, deeds of trust, trusts or deemed trusts, caveats, security interests, reservations of ownership, conditional sale or other title retention agreements, pledges, judgments,

claims for reimbursement, contribution, indemnity, exoneration, infringement, products liability, alter-ego, and matters of any kind and nature, whether arising prior to or subsequent to the commencement of these cases, and whether imposed by agreement, understanding, law, equity, or otherwise (including, without limitation, rights with respect to Claims (as defined herein) and Liens (i) that purport to give to any party a right of setoff or recoupment against, or a right or option to effect any forfeiture, modification, profit sharing interest, right of first refusal, purchase or repurchase right or option, or termination of, any of the Debtors' or the Buyer's interests in the Carmi Clinic, or any similar rights, or (ii) in respect of taxes, restrictions, rights of first refusal, charges of interests of any kind or nature, if any, including, without limitation, any restriction of use, voting, transfer, receipt of income or other exercise of any attributes of ownership) (collectively, as defined in this clause (b), the "Claims"), and (c) all other Encumbrances (collectively, as set forth in clauses (a) through (c), the "Claims, Encumbrances, and Interests") relating to, accruing or arising any time prior to entry of this Sale Order, in each case, with the exception of any Assumed Liabilities.

P. Subject to the entry of this Sale Order, the Seller: (a) has full requisite corporate or other organizational power and authority to execute, deliver, and perform its obligations under the APA and all other documents contemplated thereby, and (b) has taken all requisite corporate or other organizational action and formalities necessary to authorize and approve the execution, delivery, and performance of its obligations under the APA and to consummate the Sale, including as required by its organizational documents, and, upon execution thereof, the APA and the related documents were or will be duly and validly executed and delivered by the Seller and enforceable against the Seller in accordance with their terms and, assuming due authorization, execution, and delivery thereof by the other parties thereto, constituted or will constitute a valid and binding

obligation of the Seller. No government, regulatory, or other consents or approvals, other than those expressly provided for in the APA and the DIP Credit Agreement, were required for the execution, delivery, and performance by the Seller of the APA or the consummation of the Sale contemplated thereby. No consents or approvals of the Sellers, other than those expressly provided for in the APA, this Sale Order, or the DIP Credit Agreement are required for the Seller to consummate the Sale.

VIII. Section 363(f) is Satisfied.

Q. The conditions of § 363(f) of the Bankruptcy Code have been satisfied in full. Therefore, the Seller may sell the Carmi Clinic free and clear of any Claims, Encumbrances, and Interests, other than Assumed Liabilities.

R. The Buyer would not have entered into the APA and would not consummate the transactions contemplated thereby, if (i) the sale and/or transfer of the Carmi Clinic to the Buyer was not free and clear of all Claims, Encumbrances, and Interests (other than Assumed Liabilities), or (ii) the Buyer would, or in the future could, be liable for any such Claims, Encumbrances, and Interests (other than Assumed Liabilities).

S. The Seller may transfer or sell the Carmi Clinic free and clear of all Claims, Encumbrances, and Interests, other than Assumed Liabilities, because, in each case, one or more of the standards set forth in § 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. All holders of Claims, Encumbrances, and Interests (except to the extent that such Claims, Encumbrances, and Interests are Assumed Liabilities) are adequately protected by either (x) having their Claims, Encumbrances, and Interests, if any, in each instance against the Debtors, their estates, or the Carmi Clinic, attach to the net cash proceeds of the Purchase Price ultimately attributable to the Carmi Clinic in which such creditor alleges Claims, Encumbrances, and Interests, in the same order of priority, with the same validity, force, and effect that such Claims, Encumbrances, and Interests

had prior to the Sale, subject to any claims and defenses the Debtors and their estates may possess with respect thereto, or (y) fall within one or more of the other subsections of § 363(f) of the Bankruptcy Code.

T. Those holders of Claims, Encumbrances, and Interests who did not object or who withdrew their objections to the Motion, are deemed to have consented pursuant to Bankruptcy Code § 363(f)(2).

IX. Cure Costs and Adequate Assurance of Future Performance.

U. The assumption and assignment of the Assigned Contracts listed in the APA pursuant to the terms of this Sale Order is integral to the APA, does not constitute unfair discrimination, and is in the best interests of the Debtors and their estates, their creditors, and all other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Debtors. Subject to the terms and conditions of the APA, the Debtors shall: (a) to the extent necessary, cure or provide adequate assurance of cure, of any default existing prior to the date hereof with respect to the Assigned Contracts, within the meaning of § 365(b)(1)(A) and (f)(2)(A) of the Bankruptcy Code, and (b) to the extent necessary, provide compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof with respect to the Assigned Contracts, within the meaning of § 365(b)(1)(B) and (f)(2)(A) of the Bankruptcy Code. The Buyer's promise to perform the obligations under the Assigned Contracts shall constitute adequate assurance of future performance within the meaning of § 365(b)(1)(C) and (f)(2)(B) of the Bankruptcy Code to the extent that any such assurance is required and not waived by the counterparties to such Assigned Contracts.

V. Under the circumstances, the Debtors have demonstrated that assuming and assigning the Assigned Contracts in connection with the Sale is an exercise of their sound business

judgment, and that such assumption and assignment is in the best interests of the Debtors' estates, for the reasons set forth in the Motion, and on the record at the Sale Hearing, including, without limitation, because the assumption and assignment of the Assigned Contracts in connection with the Sale is a material component to the overall consideration provided by the Buyer and will maintain the ongoing business of the Debtors, limit the losses of counterparties to Assigned Contracts, and maximize the distribution to creditors of the Debtors.

W. The assignment of the Assigned Contracts is necessary and appropriate under the circumstances in connection with the Sale, is integral to the Debtors' overall restructuring efforts, and the Buyer has demonstrated that it can reasonably carry on the obligations under the Assigned Contracts.

X. Compelling Circumstances for an Immediate Sale.

X. Good and sufficient reasons for approval of the APA and the Sale have been articulated. The relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest. The Debtors have demonstrated both (a) good, sufficient, and sound business purposes and justifications for approving the APA, and (b) compelling circumstances for the Sale outside the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code before, and outside of, a plan of reorganization, in that, among other things, the immediate consummation of the Sale with the Buyer is necessary and appropriate to maximize the value of the Debtors' estates and the Sale will provide the means for the Debtors to maximize distributions to creditors.

Y. The Sale must be approved and consummated promptly in order to maximize the value of the Debtors' estates. Time is of the essence in consummating the Sale. Given all of the circumstances of these chapter 11 cases and the adequacy and fair value of the Purchase Price, the proposed Sale constitutes a reasonable and sound exercise of the Debtors' business judgment.

IT IS HEREBY ORDERED THAT:

I. General Provisions.

1. The Motion is **GRANTED** as provided herein, and entry into and performance under, and in respect of, the APA and the consummation of the transactions contemplated thereby.

2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled as announced to the Court at the Sale Hearing (the full record of which is incorporated herein by reference) or by stipulation filed with the Court, and all reservations of rights included in such objections, are hereby denied and overruled on the merits with prejudice. Those parties who did not object or withdrew their objections to the Motion are deemed to have consented pursuant to § 363(f)(2) of the Bankruptcy Code to the relief granted herein.

3. Notice of the Motion and Sale Hearing was adequate, appropriate, fair, and equitable under the circumstances and complied in all respects with section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007, 9008 and 9014.

II. Approval of the APA.

4. The APA, all other ancillary documents related thereto or contemplated thereby, and all of the terms and conditions thereof, are hereby **APPROVED** pursuant to §§105(a), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006.

5. Pursuant to §§ 363(b) and (f) of the Bankruptcy Code, the Debtors are authorized and empowered to take any and all actions necessary or appropriate to (a) perform, consummate, implement and close the Sale pursuant to and in accordance with the terms and conditions of, and as contemplated in, the APA and this Sale Order, and (b) execute and deliver, perform under, consummate, implement, and fully close the APA, including the assumption and assignment to the Buyer of the Assigned Contracts, together with all additional instruments and documents that may

be necessary or desirable to implement the APA and the Sale, without any further corporate action or order of the Court.

6. Subject only to the restrictions set forth in this Sale Order and the APA, the Debtors and the Buyer are hereby authorized to take any and all actions as may be necessary or desirable to implement the Sale, and any actions taken by the Debtors and/or the Buyer necessary or desirable to implement the Sale prior to the date of this Sale Order, are hereby approved and ratified.

7. This Sale Order and the terms and provisions of the APA shall be binding in all respects upon the Debtors, their affiliates, their estates, all creditors of and holders of equity interests in any Debtor, any holders of Claims, Encumbrances, and Interests (whether known or unknown) in, against, or on all or any portion of the Carmi Clinic, all counterparties to the Assigned Contracts, the Buyer, designees, successors, and assigns of the Buyer, the Carmi Clinic, and any trustees, examiners, or receivers, if any, subsequently appointed in any of the Debtors' chapter 11 cases or upon of any of the Debtors' cases to cases chapter 7 under the Bankruptcy Code of any of the Debtors' cases. The APA shall not be subject to rejection or avoidance by the Debtors, their estates, their creditors, their equity holders, or any trustees, examiners, or receivers. Any trustee appointed in these cases (including a Chapter 7 trustee, if applicable) shall be and hereby is authorized to operate the business of the Debtors to the fullest extent necessary to permit compliance with the terms of this Sale Order. This Sale Order and the APA shall inure to the benefit of the Debtors, their estates and creditors, the Buyer, and the respective successors and assigns of each of the foregoing (including the Buyer's designees).

III. Transfer of the Carmi Clinic.

8. Subject only to the terms of this Sale Order, pursuant to §§ 105(a), 363, and 365 of the Bankruptcy Code, the Debtors are authorized to transfer the Carmi Clinic to the Buyer in

accordance with the terms of the APA and such transfer shall constitute a legal, valid, binding, and effective sale and shall vest the Buyer with title to the Carmi Clinic. Pursuant to §§ 105(a) and 363(f) of the Bankruptcy Code, other than Assumed Liabilities, the Carmi Clinic shall be sold free and clear of all Claims, Encumbrances, and Interests of any kind or nature whatsoever with all such Claims, Encumbrances, and Interests (as applicable) to attach to the cash proceeds of the Purchase Price ultimately attributable to the property against or in which such Claims, Encumbrances and Interests are asserted, subject to the terms thereof, with the same validity, force, and effect, and in the same order of priority, which such Claims, Encumbrances, and Interests had prior to the Sale, subject to any rights, claims, and defenses the Debtors or their estates, as applicable, may possess with respect thereto.

9. The Debtors are hereby authorized to take any and all actions necessary to consummate the APA, including any actions that otherwise would require further approval by shareholders, members, or their board of directors, as the case may be, without the need of obtaining such approvals.

10. The sale of the Carmi Clinic to the Buyer pursuant to the APA and the consummation of the transactions contemplated thereby do not require any consents other than as specifically provided for in the APA and the DIP Credit Agreement. Each and every foreign and domestic federal, provincial, territorial, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA. A certified copy of this Sale Order may be filed with the appropriate clerk or recorded with the recorder of any state, county, or local authority to act to cancel any of the Claims, Encumbrances, and Interests, and any other encumbrances of record, except the Assumed Liabilities.

11. If any person or entity that has filed statements or other documents or agreements evidencing Claims, Encumbrances, and Interests on or in all or any portion of the Carmi Clinic (other than statements or documents with respect to Assumed Liabilities) shall not have delivered to the Debtors, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all Claims, Encumbrances, and Interests which the person or entity has or may assert with respect to all or any portion of the Carmi Clinic, the Debtors and the Buyer are hereby authorized, on behalf of the Debtors and the Debtors' creditors, to execute and file such statements, instruments, releases, and other documents on behalf of such person or entity with respect to the Carmi Clinic. The Debtors and the Buyer are each authorized to file a copy of this Sale Order, which, upon filing, shall be conclusive evidence of the release and termination of all such Claims, Encumbrances, and Interests.

12. This Sale Order is and shall be binding upon and govern the acts of all persons and entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, foreign or domestic federal, state, provincial, territorial, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease, and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA, including the Sale. The Carmi Clinic is sold free and clear of any reclamation rights.

IV. Assumption and Assignment of Assigned Contracts.

13. The Seller is hereby authorized and directed in accordance with §§ 105(a), 363, and 365 of the Bankruptcy Code to (a) assume and assign to the Buyer, in accordance with the terms of the APA and this Sale Order, the Assigned Contracts free and clear of all Encumbrances (other than the Assumed Liabilities), and (b) execute and deliver to the Buyer such documents or other instruments as the Buyer deems may be necessary to assign and transfer the Assigned Contracts to the Buyer.

14. With respect to the Assigned Contracts: (a) the Seller may assume each of the Assigned Contracts in accordance with §365 of the Bankruptcy Code; (b) the Seller may assign each of the Assigned Contracts to the Buyer in accordance with §§ 363 and 365 of the Bankruptcy Code, and any provisions in any of the Assigned Contracts that prohibit or condition the assignment of such Assigned Contract or allow the party to such Assigned Contract to terminate, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon the assignment of such Assigned Contract, constitute unenforceable anti-assignment provisions which are void and of no force and effect; (c) subject to the Debtors payment of Cure Costs, all other requirements and conditions under §§ 363 and 365 of the Bankruptcy Code for the assumption by the Seller and assignment to Buyer of each Assigned Contract have been satisfied; and (d) the Assigned Contracts shall be transferred and assigned to, and following the Closing remain in full force and effect for the benefit of, the Buyer, notwithstanding any provision in any such Assigned Contract (including those of the type described in §§ 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer and, pursuant to §365(k) of the Bankruptcy Code, the Debtors shall be relieved from any further liability with respect to the Assigned Contracts after such assumption and assignment to the Buyer.

15. Upon the effective date of the assignment of any Assigned Contract, in accordance

with §§ 363 and 365 of the Bankruptcy Code, the Buyer shall be fully and irrevocably vested in all right, title, and interest of each Assigned Contract. To the extent provided in the APA, the Debtors shall cooperate with, and take all actions reasonably requested by, the Buyer to effectuate the foregoing.

16. Each Assigned Contract counterparty is deemed to have consented to assumption and assignment of such Assigned Contract, and the Buyer shall be deemed to have demonstrated adequate assurance of future performance with respect to such Assigned Contract pursuant to §§ 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code.

17. Upon the Seller's assignment of the Assigned Contracts to the Buyer under the provisions of this Sale Order and no counterparty to any Assigned Contract shall be permitted to otherwise take action against the Debtors or the Buyer as a result of any Debtors' financial condition, bankruptcy, or failure to perform any of its obligations under the relevant Assigned Contract. Each non-Debtor party to an Assigned Contract hereby is also forever barred, estopped, and permanently enjoined from (i) asserting against the Debtors or the Buyer, or the property of any of them, any default or Claim arising out of any indemnity obligation or warranties for acts or occurrences arising prior to or existing as of the Closing Date, or, against the Buyer, any counterclaim, defense, setoff, or any other Claim asserted or assertable against the Debtors and (ii) imposing or charging against the Buyer or its affiliates any rent accelerations, assignment fees, increases, or any other fees as a result of the Seller's assumption and assignment of the Assigned Contracts to the Buyer. Any provision in any Assigned Contract that purports to declare a breach, default, or termination as a result of a change of control of the Carmi Clinic is hereby deemed unenforceable under § 365(f) of the Bankruptcy Code.

18. On the effective date of the assignment of any Assigned Contract, the Buyer shall

be deemed to be substituted for the applicable Debtors as a party to the applicable Assigned Contracts and the applicable Debtors shall be relieved, pursuant to §365(k) of the Bankruptcy Code, from any further liability under the Assigned Contracts.

19. All counterparties to the Assigned Contracts shall cooperate and expeditiously execute and deliver, upon the reasonable requests of the Buyer, and shall not charge the Debtors or the Buyer for any instruments, applications, consents, or other documents that may be required or requested by any public authority or other party or entity to effectuate the applicable transfers in connection with the Sale.

20. Notwithstanding anything to the contrary in this Sale Order or the APA, a contract shall not be an Assigned Contract hereunder and shall not be assigned to, or assumed by, Buyer to the extent that such contract is rejected or terminated by the Debtors, or terminates or expires by its terms, on or prior to such time as it is to be assumed by Buyer as an Assigned Contract hereunder and is not continued or otherwise extended upon assumption.

V. Prohibition of Actions Against the Buyer.

21. Subject to the terms, conditions, and provisions of this Sale Order, all persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Seller to sell and/or transfer the Carmi Clinic to the Buyer in accordance with the terms of the APA and this Sale Order.

22. The consideration provided by the Buyer to the Seller pursuant to the APA for the Carmi Clinic constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, and under the laws of the United States, any state, territory, possession, the District of Columbia, and any foreign country.

23. The transactions contemplated by the APA are undertaken by the Buyer without collusion and in good faith, as that term is defined in § 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale, unless such authorization and such Sale is duly stayed pending such appeal. The Buyer is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy Code.

24. The DIP Liens shall attach to the proceeds of the Sale with the same priority as existed prior to the Sale and retaining the same validity, force and effect that existed prior to the Sale. Debtors may utilize those cash proceeds as authorized under the Orders approving the use of Cash Collateral and DIP Financing and any budgets as appended thereto, and/or as amended and agreed to by the Debtors and the DIP Lender after approval of this Carmi Clinic Sale Motion is sought and/or granted.

25. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding the applicability of any of Bankruptcy Rules 6004(h), 6006(d), 7062, 9014, or any other provisions of the Bankruptcy Rules or the Local Rules stating the contrary, the terms and provisions of this Sale Order shall be immediately effective and enforceable upon its entry, any applicable stay of the effectiveness and enforceability of this Sale Order is hereby waived, and the Debtors and the Buyer are authorized to close the Sale immediately upon entry of this Sale Order.

26. The failure to specifically include any particular provision of the APA in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA be authorized and approved in their entirety; *provided* that this Sale Order

shall govern if there is any inconsistency between such agreements (including all ancillary documents executed in connection therewith), as applicable, and this Sale Order.

27. The APA and any related documents, or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court.

28. The Court shall retain exclusive jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the APA, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which any Debtor is a party or which has been assigned by the Seller to the Buyer, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, including, but not limited to, retaining jurisdiction to: (a) compel delivery of the Carmi Clinic to the Buyer; (b) interpret, implement, and enforce the provisions of this Sale Order; and (c) protect the Buyer against any Claims, Encumbrances, and Interests with respect to the Seller or the Carmi Clinic of any kind or nature whatsoever, attaching to the proceeds of the Sale (other than Assumed Liabilities as set forth in this Sale Order).

29. Notwithstanding the relief granted in this Sale Order and any actions taken pursuant to such relief, nothing in this Sale Order shall be deemed: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in this Sale Order or the Motion or any order granting the relief requested by

the Motion; (e) a request or authorization to reject any agreement, contract, or lease pursuant to § 365 of the Bankruptcy Code; (f) an admission by the Debtors as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; (h) a rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code; (i) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens; (j) a waiver of the obligation of any party in interest to file a proof of claim; or (k) otherwise affecting the Debtors' rights under section 365 of the Bankruptcy Code to reject any executory contract or unexpired lease.

30. The Debtors and the Buyer are authorized to take all actions necessary to effectuate the relief granted pursuant to this Sale Order in accordance with the Motion.

31. To the extent this Sale Order is inconsistent with any prior order or pleading filed in these chapter 11 cases related to the Motion, the terms of this Sale Order shall govern.

Exhibit 1

APA

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this “Agreement”), dated as of the Effective Date, is made and entered into by and between: (i) MIDWEST CHRISTIAN VILLAGES, INC., an Illinois not-for-profit corporation (“Seller”); and (ii) SB Properties LLC, an Illinois partnership between BRIAN BRYANT and SANDRA BRYANT, each an individual resident of the State of Illinois (and/or their assignee or nominee in accordance with Section 16(a) hereof, hereinafter referred to as “Buyer”).

1. Basic Information. All capitalized terms used in this Agreement shall have the meanings specified in the Basic Information, unless otherwise defined herein.

“Business Day” means any calendar day, which is not a Saturday, Sunday or legal holiday observed in the City of St. Louis, Missouri.

“Closing” means the event at which the purchase and sale transaction contemplated herein is consummated.

“Closing Date” means the date on which the Closing occurs, which date shall be no later than November 1, 2024.

“Commitment” means the title insurance commitment to be obtained by Buyer relative to the Property to be issued by the Title Company.

“Earnest Money” means Twenty Thousand and No/100 Dollars (\$20,000.00), and any interest earned thereon.

“Effective Date” means September 26, 2024.

“Permitted Exceptions” means the exceptions to Seller’s title to the Property listed in Schedule B of the Commitment; provided however, that no lien, mortgage, deed of trust, judgment lien, tax lien, vendor’s lien, mechanic’s lien or other lien, whether voluntary or involuntary, or any “requirement” in the Commitment, shall constitute a Permitted Exception.

“Property” means the real property located at 1112 Oak Street, Carmi, Illinois 62821, the Commitment legal description to govern, together with (i) all improvements, structures and fixtures situated on or attached to such real property, (ii) all and singular the rights and appurtenances pertaining to such real property, including any easements and private roads and rights of way; (iii) all right, title and interest of Seller in and to adjacent streets, alleys and rights-of-way; (iv) any and all water, water rights, oil, mineral rights, gas or minerals lying within or which are appurtenant to such real property and any rights with respect thereto; (v) any and all leases and security deposits, if any; (vi) all tangible and intangible personal property owned by Seller and used in connection with the Property; (vii) all warranties or guaranties with respect to any portion of the Property; (viii) all licenses and permits related to the Property.

“Purchase Price” means Seven Hundred Fifty-One Thousand and No/100 Dollars (\$751,000.00). See Attachment A breakdown of sale price between real estate and personal property.

“Title Company” means Chicago Title Insurance Company, 10 South LaSalle Street, Suite 310, Chicago, Illinois 60603, Attn: Eric Anderson.

2. Purchase and Sale. In consideration of the Earnest Money, the mutual covenants and agreements herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer agrees to purchase and acquire from Seller, and Seller agrees to sell and convey to Buyer or its designee, the Property (subject to Bankruptcy Court approval pursuant to Section 16 below and higher and better bids in accordance with the Bid and Sale Procedure Order).

3. Purchase Price. Buyer agrees to pay and Seller agrees to accept payment of the Purchase Price on the Closing Date, plus or minus prorations, by wire transfer of good funds delivered first to the Title Company, in escrow, and then by the Title Company to Seller. The Purchase Price shall be adjusted at Closing by prorations made in accordance with this Agreement.

4. Earnest Money. Within five (5) days following the later to occur of the Effective Date or the date that this Agreement is fully signed by all parties, Buyer shall deposit the Earnest Money at the Title Company. The Title Company shall hold the Earnest Money for the mutual benefit of the parties. At Closing, the Title Company shall pay the Earnest Money to Seller and such payment shall be credited against the Purchase Price payable by Buyer hereunder on the Closing Statement (as defined below).¹

5. Seller's Deliveries. To the extent that Seller has not already done so, within five (5) days after the Effective Date, Seller shall deliver or cause to be delivered to Buyer, correct and complete copies of the following (but only to the extent in Seller's possession or control), with respect to the Property (collectively, the "Seller's Deliveries"): (a) all leases or occupancy agreements with the current tenants of the Property, if any; (b) any inventory of any personal property included in the sale contemplated herein; (c) title insurance policies, deeds, plats, and title exceptions and instruments affecting title or creating or granting any interest therein, or conveying the same, and similar documents; (d) a land survey; and (e) a Phase I environmental study. If Seller does not deliver any such item within the time required herein, then Seller shall be deemed to have represented and warranted to Buyer that Seller does not have any such item in its possession or control.

6. Affirmative Covenants of Seller. Seller agrees as follows:

(a) Maintenance. From and after the date hereof, Seller shall operate, maintain and manage the Property in the same manner as operated, maintained and managed heretofore, subject to applicable limitations and requirements of the Bankruptcy Code; provided however, that Seller shall not, without the prior written consent of Buyer, enter into or amend any transaction in respect to or affecting the Property, suffer the creation of any new title exception affecting the Property, enter into or amend any lease, mortgage, easement, construction contract or other contract affecting all or any portion of the Property or the development thereof, grade or otherwise improve the Property, or commit or permit any waste to the Property.

(b) No New Title Exceptions. Seller shall not create or permit the creation of any exception to title, and if any such exceptions arise, then Seller shall cause the same to be released as encumbrances against the Property prior to Closing. Seller shall cause any and all mortgages, deeds of trust and leases to be terminated and released at or prior to the Closing in a manner acceptable to Buyer. If Seller breaches any of the agreements in this paragraph, Buyer shall have the right to cause the same to be paid and satisfied in full at Seller's expense.

¹ Revise if any portion of the Earnest Money has been received (i.e. acknowledge receipt of \$XXX of the Earnest Monday with the requirement to deposit the remaining amount as provided in this section).

(c) Inspection Right. Seller shall permit, and hereby grants to Buyer and its representatives, agents, employees, surveyors, contractors, appraisers, invitees, engineers and others designated by Buyer access to and entry upon the Property and the improvements thereon to inspect, measure and test the Property. Buyer shall, at its expense, repair any damage to the Property caused by Buyer's inspection or testing thereof. Seller agrees to promptly respond to any requests for information relating to the Property and the use thereof which may be made by Buyer or its consultants.

(d) Condition of Title. Seller shall terminate or release prior to Closing any lien, mortgage, deed of trust, judgment lien, tax lien, vendor's lien, mechanic's lien or other lien whether voluntary or involuntary affecting the Property, and shall satisfy any "requirement" in the Commitment which may be satisfied by Seller.

7. Representations and Warranties of Seller. To induce Buyer to execute, deliver and perform this Agreement, Seller hereby represents and warrants to Buyer on and as of the date hereof and on and as of the Closing Date as follows:

(a) The undersigned possesses the full right to execute and deliver and perform the terms of this Agreement, subject to requisite approvals of the Bankruptcy Court, on behalf of Seller without the necessity of obtaining consent of any person not a signatory to this Agreement and the same constitutes the legal, valid and binding obligation of Seller and is enforceable in accordance with the terms hereof.

(b) Seller is the sole owner of the Property, title is vested in Seller individually and Seller has good and marketable title to the Property, subject to requisite approvals of the Bankruptcy Court, free and clear of liens, security interests, encumbrances, leases, occupancy agreements, options, rights of first refusal and restrictions of every kind and description except the Permitted Exceptions and except for liens pursuant to indebtedness for borrowed money which Seller will cause to be discharged at or prior to Closing.

Seller shall notify Buyer if any of Seller's representations under this Agreement are or become untrue immediately upon Seller's discovery thereof. Buyer's obligation to close under this Agreement is expressly conditioned upon all of the foregoing representations and warranties being true and correct as of the Closing Date.

8. Conditions to Closing.

(a) Buyer's obligation to complete the Closing contemplated herein is conditioned upon each of the following:

(i) all representations and warranties of Seller pursuant to Section 7 shall be true and correct in all respects as of Closing;

(ii) Seller shall have observed and performed all of Seller's covenants and obligations pursuant to Section 6;

(iii) title to the Property shall be subject only to the Permitted Exceptions as of Closing;

(iv) the Bankruptcy Court shall have entered the Sale Order approving the sale to the Buyer which shall be a final order unless such finality is mutually waived by the Buyer and the Seller;

(v) Seller shall have executed and delivered all documents and instruments required herewith as of Closing; and

(vi) There has been no material adverse change to the Property or any leases or any matter affecting the Property following the Effective Date.

(b) Seller's obligation to complete the Closing contemplated herein is conditioned upon the Buyer having delivered to the Title Company pursuant to escrow instructions consistent with this Agreement (i) the Purchase Price in the form called for herein; (ii) the documents required to be executed and delivered by Buyer at Closing; and (iii) the Bankruptcy Court shall have entered the Sale Order approving the sale to the Buyer which shall be a final order unless such finality is mutually waived by the Buyer and the Seller.

9. Closing and Possession.

(a) The transaction contemplated hereby shall close on the Closing Date at the offices of the Title Company; provided that Buyer may designate a date for Closing prior thereto upon the delivery of written notice thereof given to Seller not less than two (2) Business Days prior to the desired date of Closing. A party to this Agreement will not be required to be present in person at such Closing if such party has delivered all of the items it is required to deliver at the Closing to the Title Company on or before the Closing; provided however, that if such items have been delivered to the Title Company with escrow instructions, such instructions must be consistent with the provisions of this Agreement. If any such instructions conflict with the provisions of this Agreement, the provisions of this Agreement shall govern.

(b) At Closing, Seller shall execute (where necessary) and deliver to Buyer the following:

(i) a quit claim deed conveying to Buyer or its designee title to the Property; subject only to the Permitted Exceptions,

(ii) a seller's or owner's title affidavit, as required by the Title Company;

(iii) a FIRPTA affidavit certifying that the Seller is not a foreign person as defined in Section 1445 of the Internal Revenue Code of 1986, as amended;

(iv) such other releases, terminations, affidavits, bills of sale, assignments and conveyance documents as may be required pursuant to the Commitment;

(v) such other certifications and confirmations as may be reasonably required by the Title Company to insure over any liens or encumbrances affecting the Property, and the standard exceptions contained in an ALTA owner's policy of title insurance;

(vi) evidence of Seller's authority to consummate the transactions herein;

(vii) sole possession of the Property; and

(viii) the Closing Statement.

(c) At Closing, Buyer shall execute (where necessary) and deliver to Seller the following:

(i) the Purchase Price, subject to the credits and adjustments shown on the Closing Statement; and

(ii) the Closing Statement.

10. Prorations.

(a) Buyer shall receive a credit against the Purchase Price for the amount of current real estate and personal property taxes levied against the Property, if any, which are unpaid as of the Closing Date and which are allocable to the period prior to and including the Closing Date (based on the actual number of days elapsed in a year over the total number of days in such year), the amount of such credit to be determined on the basis of the current tax bills for the Property or, if the same are not available on the day of the Closing, the most recent ascertainable assessed value and tax rate, with the parties agreeing to re-prorate said taxes upon the receipt of the actual tax bills for the Property. Seller shall be responsible for paying the real estate taxes for all periods prior to the tax year in which the Closing occurs out of Seller's own funds and Seller shall provide evidence of the payment thereof at or prior to the Closing Date.

(b) Other items customarily adjusted upon the sale of a property similar to the Property shall be adjusted by the parties. Seller and Buyer shall diligently attempt to determine the exact amounts of prorations and adjustments prior to or at Closing; provided however, the parties acknowledge that exact amounts may not be available at Closing and agree to re-prorate such items following Closing based upon final bills or statements.

(c) Buyer and Seller agree that the Title Company shall be the "reporting person" relative to the transaction contemplated herein for purposes of Section 6045(e) of the Internal Revenue Code of 1986, as amended.

11. Expenses.

(a) Buyer shall pay for: (i) all costs of Buyer's inspection of the Property; (ii) the cost of any title policy endorsements as well as all other title policy charges (except as set forth in Section 11(b)(iii) below); (iii) one half (1/2) of the Closing or escrow fees of the Title Company; (iv) the fees and expenses of Buyer's counsel; and (v) any other costs and expenses to be paid by Buyer pursuant to the other provisions of this Agreement.

(b) Seller shall pay for: (i) the fees and expenses of Seller's counsel; (ii) one half (1/2) of the Closing or escrow fees of the Title Company; (iii) the premium for Buyer's owner's title insurance policy; (iv) any and all transfer taxes, deed stamps or other taxes due in connection with the sale or conveyance of the Property contemplated herein; and (v) the costs of recording and/or filing any releases relating to any liens against Seller's interest in the Property.

12. Brokerage. Except for B.C. Ziegler & Co., for which Sellers shall be responsible, the parties represent and warrant to one another that they have not dealt with any broker in connection with the transaction herein described. Each party hereby agrees to indemnify, defend and hold the other harmless from and against any and all claims, causes of action, losses, damages, liabilities, judgments, settlements

and expenses (including, without limitation, attorneys' fees) that the other may sustain or incur by reason of its breach of the foregoing representation and warranty.

13. Casualty or Condemnation. Seller shall bear all risk of loss or damage to the Property prior to Closing and shall insure the Property against loss by vandalism, fire or other casualty in an amount not less than the full replacement value thereof. If the improvements on the Property are destroyed or substantially damaged by fire or other casualty, or if the Property or any portion thereof shall be taken by eminent domain, or if condemnation proceedings be instituted with respect to the Property, Buyer shall have the option, by delivery of written notice to Seller within thirty (30) days after receipt of notice of such event, of terminating this Agreement or closing the transaction contemplated herein. If Buyer elects to terminate this Agreement pursuant to this Section 13, then the Earnest Money shall be returned to Buyer. If Buyer elects to close the transaction contemplated herein, Seller shall assign to Buyer its rights to receive such insurance proceeds or condemnation awards and shall pay to Buyer any deductible, and the Property shall be transferred subject to such loss or condemnation. Seller shall not settle any proceeding or adjust any loss without the Buyer's consent.

14. Default.

(a) If Buyer defaults in the performance of its obligations hereunder and Seller is not then in default in the performance of its obligations hereunder, then the Earnest Money shall be paid to Seller as Seller's sole and liquidated damages for Buyer's default, it being agreed that the receipt thereof shall be Seller's sole and exclusive remedy for any such default (any right of Seller to specific performance or other equitable remedy being expressly waived), and Buyer shall have no further obligation or liability to Seller hereunder by reason thereof. In no event shall Buyer be liable to Seller for any actual, punitive, speculative, consequential or other damages of any kind.

(b) If Seller defaults in the performance of its obligations hereunder or breaches any covenant, representation or warranty, or if the conditions to Closing in Section 8(a) are not satisfied as of the Closing Date, then Buyer shall have the right, at Buyer's option, to (i) terminate this Agreement by the delivery of notice thereof to Seller, in which event Buyer shall be entitled to receive a refund of the Earnest Money and recover from Seller all of Buyer's losses, damages and expenses suffered by Buyer as a result thereof, or (ii) exercise any other right or remedy available under applicable law as a result of such default including, without limitation, the right to specifically enforce Seller's obligations under this Agreement. In addition to the foregoing, if Seller does not perform its obligations under this Agreement prior to Closing, Buyer shall be entitled to withhold an amount from the proceeds due Seller at Closing reasonably estimated by Buyer to be the cost of satisfying such obligations, and such amounts shall be paid to Buyer to reimburse Buyer for costs incurred in satisfying such obligations; provided however, that Seller's liability shall not be limited to amounts withheld hereunder.

15. Bankruptcy.

(a) On July 9, 2024 (the "Petition Date"), Seller and certain of its affiliates each filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), commencing jointly administered bankruptcy cases captioned In re Midwest Christian Villages, Inc., et al., under lead case number 24-42473-659 (the "Bankruptcy Case"). The Seller in the Bankruptcy Case continues to own and operate the Property during the pendency of the Bankruptcy Case as a debtor in possession under and pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. Notwithstanding anything to the contrary contained herein, the transactions contemplated by this Agreement are subject to the approval of

the Bankruptcy Court and will be consummated pursuant to and in accordance with: (a) the Order of the Bankruptcy Court (including all schedules thereto) approving the Bid and Sale Procedures Order entered on July 29, 2024 [Dkt. No. 102], including those procedures granting Buyer the protections and benefits set forth in such Order (the “Bid and Sale Procedures Order”) and; (b) an Order of the Bankruptcy Court issued pursuant to Sections 363 and 365 of the Bankruptcy Code, authorizing and approving, among other things: (i) the sale, transfer and assignment of the Purchased Assets and the Assumed Liabilities to Buyer in accordance with the terms and conditions of this Agreement, free and clear of all Liens, Claims and Encumbrances and (ii) the assumption and assignment of any assumed contracts in connection therewith and as a part thereof (the “Sale Order”) entered by the Bankruptcy Court pursuant to Sections 105(a), 363, 365 and other applicable provisions of the Bankruptcy Code.

(b) Seller shall comply with all of its obligations under (i) the Bid and Sale Procedures Order and (ii) the Sale Order (after the entry of same by the Bankruptcy Court).

(c) Seller shall use commercially reasonable efforts to comply (or obtain an Order from the Bankruptcy Court waiving compliance) with all requirements under the Bankruptcy Code and applicable Bankruptcy Rules of Civil Procedure and any local or other rules that applicable to the Bankruptcy Court (the “Bankruptcy Rules”) in connection with obtaining approval of the sale of the Property under this Agreement, including serving on all required persons in the Bankruptcy Case (including (i) all persons who are known to possess or assert a lien against the Property, (ii) the Internal Revenue Service, (iii) all state attorneys general, local realty enforcement agencies and local government entities with taxing authority or the power to approve or consent to the issuance or transfer of all permits, licenses, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from governmental authorities, and (iv) all other persons required by any Order of the Bankruptcy Court (including any omnibus notice or case management Order entered in the Bankruptcy Case), notice of the Sale Motion, the Sale Hearing and the objection deadline in accordance with Rules 2002, 6004, 6006 and 9014 of the Bankruptcy Rules, the Bid and Sale Procedures Order or other Orders of the Bankruptcy Court, and any applicable local rules of the Bankruptcy Court.

(d) After the Closing Date, Seller shall be released from any further liability under any and all contracts assumed by Buyer as provided for under Section 365(k) of the Bankruptcy Code. Buyer shall assume all obligations from and after the Closing Date under such contracts, and at such time as is required by the Bankruptcy Court in the Sale Order, shall pay cash or other acceptable consideration to the third party (or parties) to the applicable assumed contract in order to cure the monetary defaults and satisfy any pecuniary obligations of Seller (or obtain waivers with respect thereto), and to provide adequate assurance of future performance under such contracts.

16. Miscellaneous.

(a) Successors and Assigns. This Agreement shall be binding upon the parties and their heirs, respective successors and assigns. Buyer may assign its rights and delegate its obligations hereunder, without Seller’s consent.

(b) Counterparts and Facsimile Execution. This Agreement may be executed by facsimile or .pdf e-mail and in counterparts, in which such case, such faxed or e-mailed signatures shall be deemed originals and all such counterparts, when taken together, shall be deemed a single instrument.

(c) Survival. All representations, warranties, covenants, agreements and obligations of the parties hereto shall, notwithstanding any investigation made by any party hereto, survive Closing and the same shall inure to the benefit of and be binding upon the respective heirs, personal representatives, successors and assigns of the parties hereto.

(d) Notices. Any notice or demand which either party may or must give to the other hereunder shall be in writing and sent to such party who is entitled to receive such notice at such party's address or e-mail address as set forth below (which such address or e-mail address may be changed by the giving of notice to the other party in accordance with the terms hereof):

If to Seller:

Midwest Christian Villages, Inc.
c/o Christian Horizons
Attn: Kate Bertram, President and Shawn
O'Conner, CRO
Two City Place Drive, 2nd Floor
St. Louis, Missouri 63141
Email: kbertram@chliving.org
sconner@hcmpllc.com

With a copy to:

Dentons US LLP
Attn: Thomas Vandiver
101 South Hanley, Suite 600
St. Louis, Missouri 63105
Email: thomas.vandiver@dentons.com

If to Buyer:

Brian and Sandra Bryant
1200 Country Road 1100 N
Carmi, Illinois 62821
E-mail: sgbryant1200@gmail.com

Such notice shall be deemed to have been given and received and to be effective for the commencement of any time period which commences or expires with the giving or receiving of notice as follows: (i) on the day which such notice is sent by e-mail and the notice is also sent, at sender's cost, by overnight delivery with a nationally recognized overnight courier service; (ii) on the day after the sender or giver of the notice deposits at sender's cost such notice for overnight delivery with a nationally recognized overnight courier service, specifying next day delivery; or (iii) on the third day after sender or giver of the notice deposits at sender's cost such notice in the U.S. Mail, and such notice is sent certified, return receipt requested, or (iv) on the day of hand delivery.

(e) Time. Time is of the essence with respect to the performance of each of the covenants and agreements under this Agreement. If the date for performance of any act hereunder, or if the date of expiration of time period hereunder, falls on a Saturday, Sunday or legal holiday observed in the City of St. Louis, Missouri, then the time for performance thereof, or the date of expiration of time period thereof, shall be deemed extended to the next successive Business Day.

(f) Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against either party. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any paragraph or clause herein may require, the same

as if such words had been fully and properly written in the correct number and gender. The captions and the sections of this Agreement are inserted only as a matter of convenience and for reference and in no way confine, limit or describe the scope or intent of any section of this Agreement, nor in any way affect this Agreement.

(g) Severability. If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each term, covenant and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

(h) Integration. This Agreement represents the entire agreement between the parties concerning the subject matter hereof and all prior negotiations and oral or written communications between the parties concerning the subject matter hereof are merged into and integrated into this Agreement and superseded hereby.

(i) Further Assurances. The parties hereto agree, from time to time, to execute, deliver and furnish, or cause to be executed, delivered and furnished, such documents as may be reasonably necessary to fully consummate and effectuate the transactions contemplated under this Agreement.

(j) Amendment and Waiver. No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought, and any such amendment is subject to any requisite approval by the Bankruptcy Court. No waiver of any term, provision, breach or default hereunder shall constitute or be construed as a waiver by any party of any other term or provision hereof or any prior or subsequent breach or default or of any breach or default of any other provisions of this Agreement.

(k) Attorney's Fees. In the event of any dispute or litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and expenses including reasonable attorneys' and legal fees and expenses.

(l) Governing Law. The validity and construction of this Agreement shall be governed by the laws of the State of Missouri without regard to the conflicts of law rules thereof. The parties hereby consent to jurisdiction and venue in the Federal or State courts situated in St. Louis County, Missouri including while the Chapter 11 cases are pending, the exclusive jurisdiction of the Bankruptcy Court, and hereby waive any objection to the jurisdiction of, or the venue of any action instituted in, such courts.

(m) Waiver of Jury Trial. EACH PARTY (BY ACCEPTANCE HEREOF), HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES AND RELINQUISHES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED, OR WHICH MAY IN THE FUTURE BE DELIVERED, IN CONNECTION WITH THIS AGREEMENT, OR (b) ARISING FROM ANY RELATIONSHIP BETWEEN THE PARTIES EXISTING IN CONNECTION WITH THIS AGREEMENT AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

(n) Venue. Any litigation arising hereunder, shall be subject to the jurisdiction of any state or federal court located in the State of Missouri, and venue shall be in the United States District Court for the Eastern District of Missouri if in Federal Court, or in the Circuit Court of the State of Missouri in the City of St. Louis County if in State Court.

(o) PATRIOT Act. Each party represents to the other, and covenants that during the term of this Agreement, that such party and its Affiliates (1) are not and will not be in violation of Executive Order No. 13224, 66 Fed. Reg. 49,079 (September 23, 2001) (the “Executive Order”), the USA PATRIOT Act, Pub. L. No. 107-56, 115 Stat. 272 (2001), or the USA PATRIOT Improvement and Reauthorization Act of 2005, Pub. L. No. 109-177, 120 Stat. 192 (2005) (collectively, “Antiterrorism Laws”), and (2) are not and will not be listed as a “Prohibited Person”, “Specially Designated Nation” or otherwise blocked person on any list promulgated or maintained under any of the Antiterrorism Laws. As used herein, “Affiliate” means any person that, directly or indirectly, through one or more intermediaries, controls a party, or which is controlled by or is under common control with such party.

(p) Authority. Each of the undersigned parties represent and warrant to the other party that each such party is authorized to execute, deliver and perform the terms of this Agreement without the consent of any third party not obtained, except as provided in Section 15 (Bankruptcy) above.

(q) Confidentiality. It is understood by the parties hereto that the information, documents, and instruments delivered to Buyer by the applicable Seller and its agents and the information, documents and instruments delivered to the applicable Seller by Buyer and its agents are of a confidential and proprietary nature. Each of the parties hereto agrees that both prior and subsequent to the Closing it will maintain the confidentiality of all such confidential information, documents or instruments in connection with the negotiation of this Agreement or in compliance with the terms, conditions and covenants hereof and will only disclose such information, documents and instruments to its duly authorized officers, members, directors, representatives, and agents (including consultants, attorneys and accountants of each party) and applicable governmental authorities in connection with any required notification or application for approval or exemption therefrom. Nothing in this Section 16(q), however, shall prohibit the use of such confidential information, documents or information for such governmental filings as in the opinion of Seller’s counsel or Buyer’s counsel are required by law or governmental regulations or are otherwise required to be disclosed pursuant to applicable state law or the filing of this Agreement with the Bankruptcy Court or pursuant to any Order of the Bankruptcy Court, including, without limitation, the Bid and Sale Procedures Order.

(r) Public Announcements. Unless otherwise required by applicable laws (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement. Disclosures made to the Bankruptcy Court or in pleadings filed with the Bankruptcy Court or in other related notices shall not be considered a public announcement.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF this Agreement is executed as of the Effective Date as defined above.

BUYER:

SB Properties LLC

By: Brian L. Bryant
Printed Name: Brian L. Bryant
Title: Owner

By: Sandra Bryant
Printed Name: Sandra Bryant
Title: Owner

SELLER:

MIDWEST CHRISTIAN VILLAGES, INC.,
an Illinois not-for-profit corporation

By: *Kathleen Bertram*
Printed Name: Kate Bertram
Title: President and Chief Executive Officer

Exhibit B

Glaisner Declaration

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:	§	Chapter 11
	§	Case No. 24-42473-659
MIDWEST CHRISTIAN VILLAGES, INC. et al,¹	§	Jointly Administered
	§	
Debtors.	§	Related Docket Nos. 102 and 159
	§	
	§	Hearing Date: November 6, 2024
	§	Hearing Time: 10:00 a.m. (CT)
	§	Hearing Location: Courtroom 7 North

DECLARATION OF K. NICHOLAS GLAISNER IN SUPPORT OF MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE DEBTORS TO ENTER INTO AND PERFORM THEIR OBLIGATIONS UNDER THE ASSET PURCHASE AGREEMENT FOR THE CARMICLINIC, (II) APPROVING THE SALE OF CERTAIN ASSETS FREE AND CLEAR OF ALL CLAIMS, LIENS, RIGHTS, INTERESTS, AND ENCUMBRANCES, (III) APPROVING THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF

I, K. Nicholas Glaisner, make this declaration pursuant to 28 U.S.C. § 1746:

1. I submit this Declaration (the “Declaration”) in support of the above-captioned Debtors’ *Motion for Entry of an Order (I) Authorizing The Debtors To Enter Into And Perform Their Obligations Under The Asset Purchase Agreement for the Carmi Clinic, (II) Approving The Sale Of Certain Assets Free And Clear Of All Claims, Liens, Rights, Interests, And Encumbrances,*

¹ The address of the Debtors headquarters is 2 Cityplace Dr, Suite 200, Saint Louis, MO 63141-7390. The last four digits of the Debtors’ federal tax identification numbers are: (i) Midwest Christian Villages, Inc. [5009], (ii) Hickory Point Christian Village, Inc. [7659], (iii) Lewis Memorial Christian Village [3104], (iv) Senior Care Pharmacy Services, LLC [1176], (v) New Horizons PACE MO, LLC [4745], (vi) Risen Son Christian Village [9738], (vii) Spring River Christian Village, Inc. [1462], (viii) Christian Homes, Inc. [1562], (ix) Crown Point Christian Village, Inc. [4614], (x) Hoosier Christian Village, Inc. [3749], (xi) Johnson Christian Village Care Center, LLC [8262], (xii) River Birch Christian Village, LLC [7232], (xiii) Washington Village Estates, LLC [9088], (xiv) Christian Horizons Living, LLC [4871], (xv) Wabash Christian Therapy and Medical Clinic, LLC [2894], (xvi) Wabash Christian Village Apartments, LLC [8352], (xvii) Wabash Estates, LLC [8743], (xviii) Safe Haven Hospice, LLC [6886], (xix) Heartland Christian Village, LLC [0196], (xx) Midwest Senior Ministries, Inc. [3401], (xxi) Shawnee Christian Nursing Center, LLC [0068], and (xxii) Safe Haven Hospice, LLC [6886].

(III) Approving The Assumption And Assignment Of Executory Contracts And Unexpired Leases, And (IV) Granting Related Relief (the “Carmi Clinic Sale Motion”).²

2. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge of the Debtors’ operations, financial condition, and marketing and sale efforts; information learned from my review of relevant documents and discussions with potential purchasers; and information provided to me by my colleagues, management, advisors, employees or other representatives of the Debtors. If I were called as a witness, I would testify consistently with the facts set forth in this Declaration.

3. My colleagues and I have served as the Debtors’ investment banker since the Debtors began the sale process in April 2024. Since that time, my colleagues and I have worked with the Debtors’ management in marketing the entirety of the Debtors’ assets for a sale, including the real property located at 1112 Oak Street, Carmi, Illinois 62821 (the “Carmi Clinic”).

BACKGROUND AND QUALIFICATIONS

4. I am a Managing Director at B.C. Ziegler and Company (“Ziegler”). I have more than 20 years of experience advising companies, their stakeholders and other constituents on strategic and financial matters, with a particular focus on mergers and acquisitions and strategic advisory engagements for senior living and healthcare providers. I have significant transaction experience involving skilled nursing facilities, senior living campuses and CCRCs. I received a B.B.A. in Marketing and Finance from the University of Wisconsin in 1999 and hold a FINRA Series 79 license.

5. Ziegler has been employed by the Debtors as their investment banker since April 2024, in connection with the Debtors’ analysis of strategic alternatives including sale opportunities

² Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Sale Motion.

and restructuring plans. Ziegler has worked with the Debtors' management team to, *inter alia*, design and execute a process (the "Sale Process") for selling substantially all of the Debtors' assets.

Prepetition Sale and Marketing Process

6. Faced with liquidity pressures, the Debtors and their management team began reviewing potential strategic alternatives. As a result of that review, the Debtors determined that a sale of some or all of the Debtors' business was the best available path to maximize value for the benefit of all of the Debtors' stakeholders.

7. In April 2024, the Debtors retained Ziegler as their investment banker to explore a sale of some or all of their business, help identify potential third-party purchasers, and generally conduct a Sale Process for the Debtors' assets, including the Carmi Clinic. Ziegler, along with the Debtors' management, began its prepetition marketing process by identifying a substantial number of potential third-party purchasers with the interest and resources to purchase some or all of the Debtors' assets.

8. The Debtors and Ziegler used broad criteria in identifying potential third-party purchasers that might have the interest and wherewithal to engage in a purchase transaction. Ziegler began outreach to potential purchasers in April 2024, and initially contacted approximately 35 potential purchasers. Since the bankruptcy case filing, Ziegler has reached out to over 3000 additional potential purchasers. Among these potential purchasers, 115 executed NDAs and reviewed offering documents.

9. None of the other potential bidders have expressed an interest in or bid for the Carmi Clinic.

10. The Debtors provided potential purchasers with confidential information memoranda regarding the Carmi Clinic and the potential bidding processes and procedures. On July 24, 2024, the Debtors received an indication of interest from SB Properties LLC (the

“Buyer”), and on August 14, 2024, the Debtors received a letter from the Buyer expressing its intent to purchase the Carmi Clinic, subject to financing, closing conditions and customary due diligence.

11. A principal of the Buyer is an employee of the Debtors and is currently involved with the Carmi Clinic and is the natural buyer for this unique asset. I understand that the Buyer will assume the two leases with Hamilton Memorial Hospital District and Aegis Group Practice, LLC at the Carmi Clinic. As such, the business operations and employment of the associated employees under those leases will continue and be uninterrupted. The assumption of these leases will ensure the continued provision of services to the community provided by the Carmi Clinic, the other health care businesses under those leases, and the continued gainful employment of the employees providing those services.

12. The Debtors and the Buyer agreed in principle to terms for the purchase of the Carmi Clinic for a purchase price of \$750,000, which is the appraised value for the asset. The terms of this agreement are set forth in the asset purchase agreement (the “APA”) which is attached as **Exhibit 1** to the proposed Sale Motion filed concurrently herewith.

13. In order to ensure that the Debtors received the highest or otherwise best value reasonably and practically available, Ziegler and the Debtors have continued to contact and re-contact potential purchasers to market the Debtors’ assets, and to explore whether they would provide any higher or better value for the Carmi Clinic than the Buyer. These efforts have not yielded any new offers or expressions of interest. I believe the Sale Process is unlikely to result in a higher or better offer for the Carmi Clinic that is embodied in the APA, and I cannot identify any potential purchaser that has not already been contacted that may have an interest in the Carmi Clinic, and would be able to close on the required timeframe.

14. Based on my professional experience, given the vast breadth of the pre-petition Sale Process, which yielded only the proposed offer to acquire the Carmi Clinic, and that there does not appear to be any other potential purchaser that would be willing or able to purchase the Carmi Clinic, it is highly unlikely that a competitive bidder will emerge other than the Buyers, who are existing user buyers. The Carmi Clinic is a unique asset located in a small town market.

15. Accordingly, based on the foregoing, I believe that the private sale of the Carmi Clinic pursuant to the APA, especially given the speed and certainty from being able to close such a transaction, is the highest and best transaction available to the Debtors under the circumstances, and that the Debtors' estates would likely derive no material benefit from further marketing efforts.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed on October 15, 2024

/s/ K. Nick Glaisner

K. Nick Glaisner

Managing Director

B.C. Ziegler and Company