

**Termination and
Release of Cross-
Default Guaranty
Of Subtenants**
Section 232

**U.S. Department of Housing
and Urban Development**
Office of Residential
Care Facilities

OMB Approval No. 2502-0605
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Public reporting burden for this collection of information is estimated to average 0.5 hour(s). This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation which must be submitted to HUD for approval and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Warning: Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

This Termination and Release of Cross-Default Guaranty of Subtenants (this "**Release**") is made as of _____, 20____, (the "**Effective Date**") by and between _____, each a Guarantor (collectively, the "**____ Guarantors**") and _____ (each of the _____ Guarantors and _____ individually a "**Subtenant**" or "**Guarantor**," and collectively the "**Subtenants**" or "**Guarantors**") and _____ ("**Sublandlord**").

RECITALS:

A. Sublandlord and Guarantors entered into that certain Cross-Default Guaranty of Subtenants dated as of _____ (the "**Guaranty**") whereby each Guarantor guaranteed the payment and performance of each other Guarantors' obligations under that certain HUD Master Lease dated as of _____ (the "**Original Lease**"), as amended by _____ to HUD Master Lease, dated as of _____ (the "**____ Amendment**"), and collectively with the Original Lease, the _____ Amendment, (the "**Master Lease**") by and among each _____, collectively as landlords ("**Landlords**"), and Sublandlord, as tenant.

B. Pursuant to the _____ Amendment, the Facilities subleased by the _____ Guarantors are being released from the Master Lease by Sublandlord's respective Facility Landlord for each such Facility.

C. As a result of the release of the Facilities subleased by the _____ Guarantors from the Master Lease, Sublandlord is willing to terminate and release the Guarantors from the Guaranty, subject to the approval of Mortgagee and HUD.

D. Mortgagee and HUD have agreed to consent to the termination and release of each Guarantor's obligations under the Guaranty, contingent upon Sublandlord receiving an executed subordinate guaranty of the Master Lease, in form and substance satisfactory to Mortgagee and HUD, from the _____ Guarantors.

E. Capitalized words and terms used, but not defined, in this Amendment shall have the meanings ascribed thereto in the Guaranty.

NOW, THEREFORE, in consideration of these promises and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. RECITALS. The foregoing recitals are true, accurate and are incorporated herein by reference.

2. TERMINATION AND RELEASE. As of the Effective Date, Sublandlord and Guarantors terminate the Guaranty and the Guaranty shall be of no further force or effect. Sublandlord releases and forever discharges Guarantors and Guarantors' successors and assigns from any and all obligations, duties or liabilities under the Guaranty, except for: (a) such obligations, duties or liabilities that by the terms of the Guaranty survive the expiration or termination of the Guaranty, and (b) such obligations, duties or liabilities incurred by any Guarantor under the terms of the Guaranty prior to the Effective Date. Guarantors releases and forever discharges Sublandlord and the Sublandlord's successors and assigns from any and all obligations, duties or liabilities under the Guaranty, except for: (a) such obligations, duties or liabilities that by the terms of the Guaranty survive the expiration or termination of the Guaranty, and (b) such obligations, duties or liabilities incurred by Sublandlord under the terms of the Guaranty prior to the Effective Date.

(Signature page follows)

IN WITNESS WHEREOF, Guarantors and Sublandlord have caused this Release to be duly executed, as of the day and year first set forth above.

GUARANTORS:

By: _____ By: _____

By: _____ By: _____

SUBLANDLORD:

By: _____ By: _____

By: _____ By: _____

CONSENT OF LANDLORDS

_____ hereby consent to this Termination and Release of Guaranty of Subtenants and agree to be bound thereby.

LANDLORD:

By: _____ By: _____

By: _____ By: _____

CONSENT OF MORTGAGEE

_____ successor in interest to _____ hereby consents to this Termination and Release of Cross-Default Guaranty of Subtenants.

By: _____

Name: _____

Title: _____

Date: _____

CONSENT OF HUD

The Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, hereby consents to this Termination and Release of Cross-Default Guaranty of Subtenants.

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT, acting by and through the Federal Housing Commissioner

By: _____
Name: Authorized Agent

Date: _____
