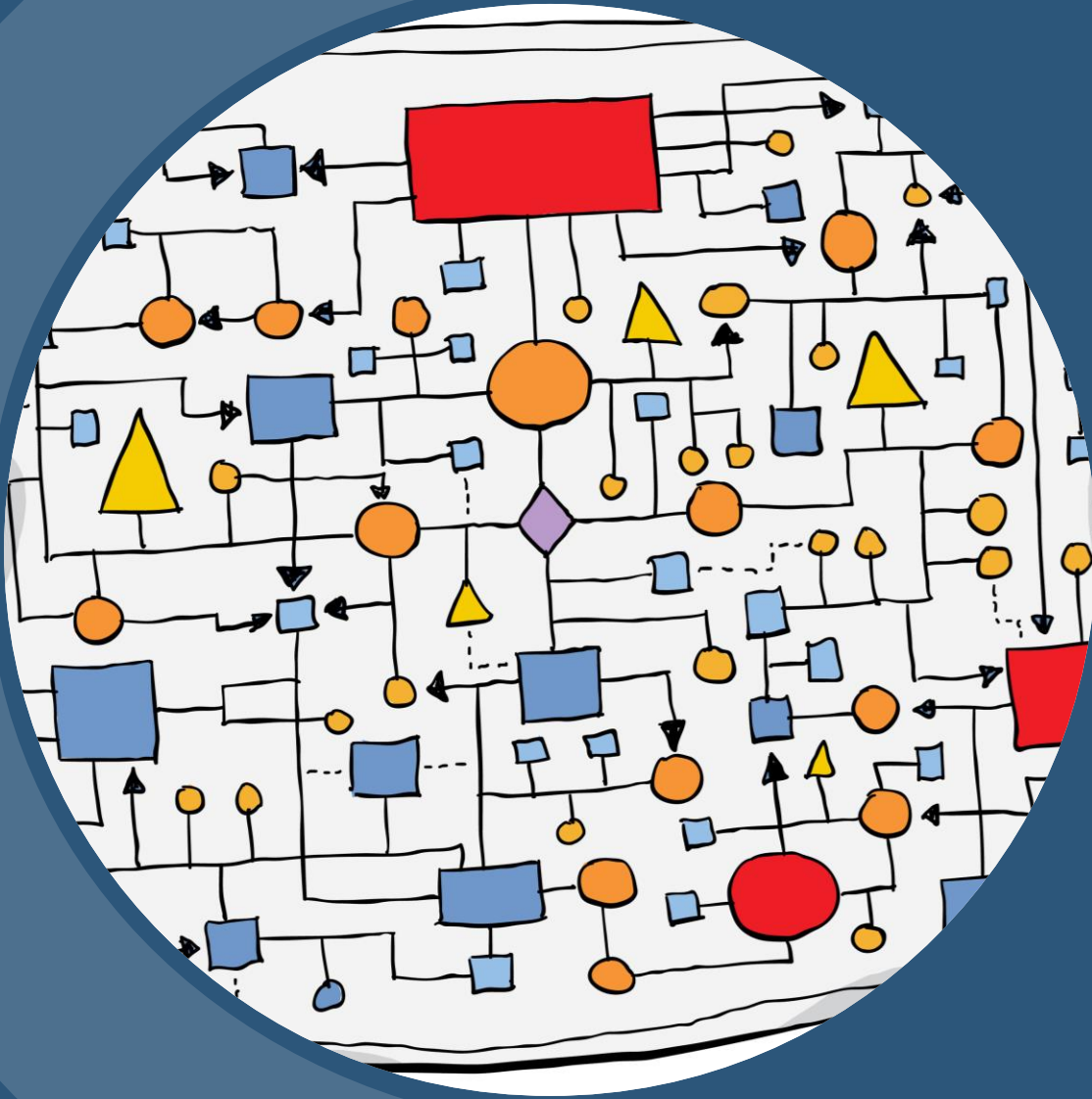


HEALTHCARE MORTGAGEE ADVISORY COUNCIL

Financing Seniors Housing for America

DACAs, DAISAs AND CASH FLOW STRUCTURE CONSIDERATIONS



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DACA & DAISA

The Why and What of Each



DEPOSIT ACCOUNT CONTROL AGREEMENT (DACA)

- Why are they required?
- What does a DACA really do?
- Who are the proper parties to the DACA?
- “Downstream” vs. “Upstream” Accounts and which require a DACA?
- Is there a prescribed form?



DEPOSIT ACCOUNT INSTRUCTIONS & SERVICES AGREEMENT (DAISA)

- Why is a DAISA required?
- What does a DAISA really do?
- Is there a prescribed form?



CONSIDERATIONS

- Operators: Why do they panic over DACAs?
- Depository Banks: Why do they dislike DAISAs
- Third-Party Operator points to remember
- Considerations when restructuring a facility's cash-flow structure
 - Timing on updating government payment accounts
- Commingled Accounts



HOT BUTTON ISSUES

- Who pays fees and expenses?
- Indemnification
- Access to Account Information
- “Choice of Law”
- Timing for Control
- 1st Lien vs. 2nd Lien Notification
- Can DACA and DAISA be combined?

Knock, knock!
Who's there?
Len.
Len who?
Len me ten bucks until payday.

Knock, knock!
Who's there?
Celeste.
Celeste who?
Celeste time I lend you money!

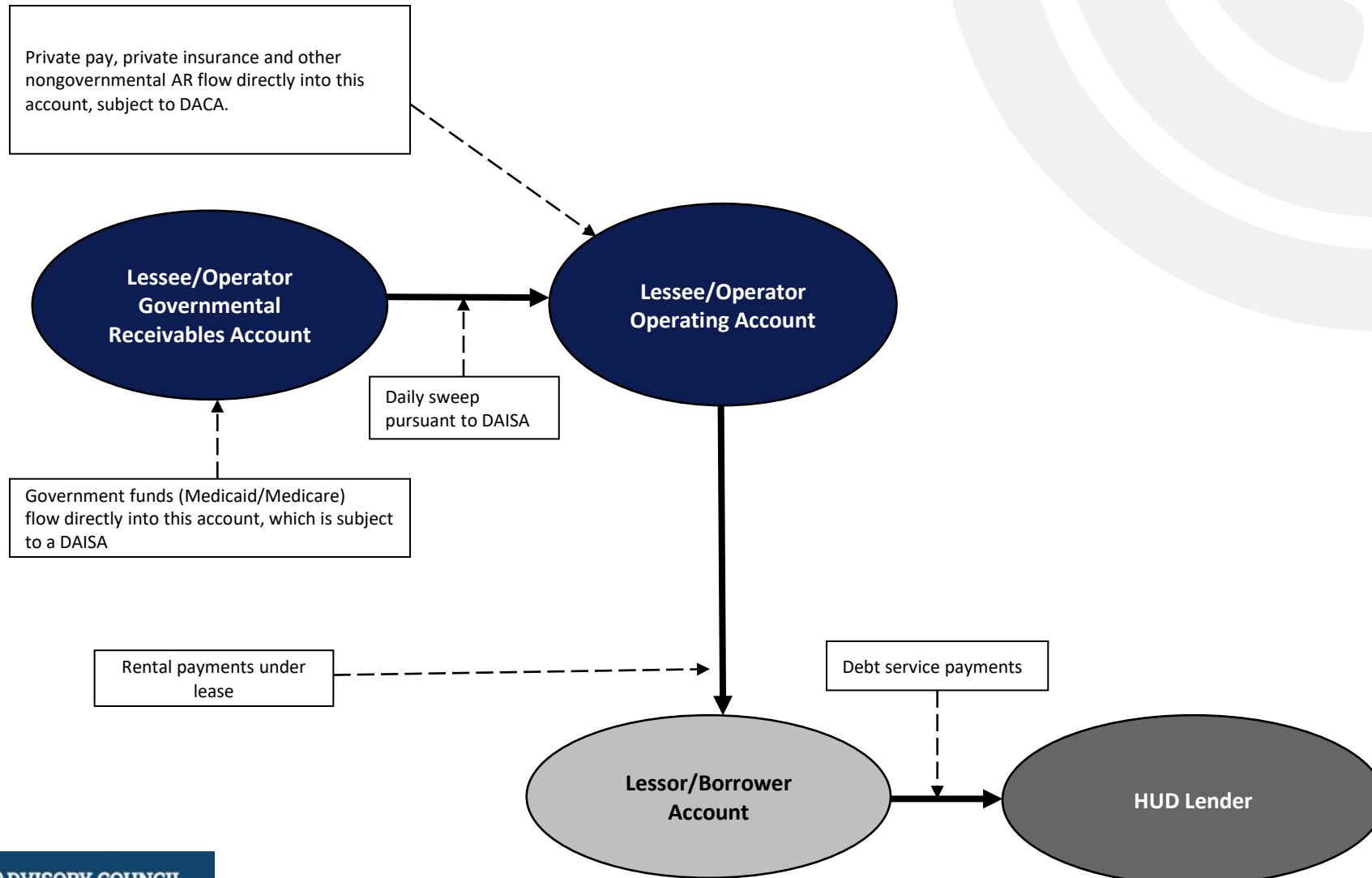
Knock, knock!
Who's there?
Halibut.
Halibut who?
Halibut lending me five dollars?

Knock, knock!
Who's there?
Cannelloni.
Cannelloni who?
Cannelloni some money till next week?

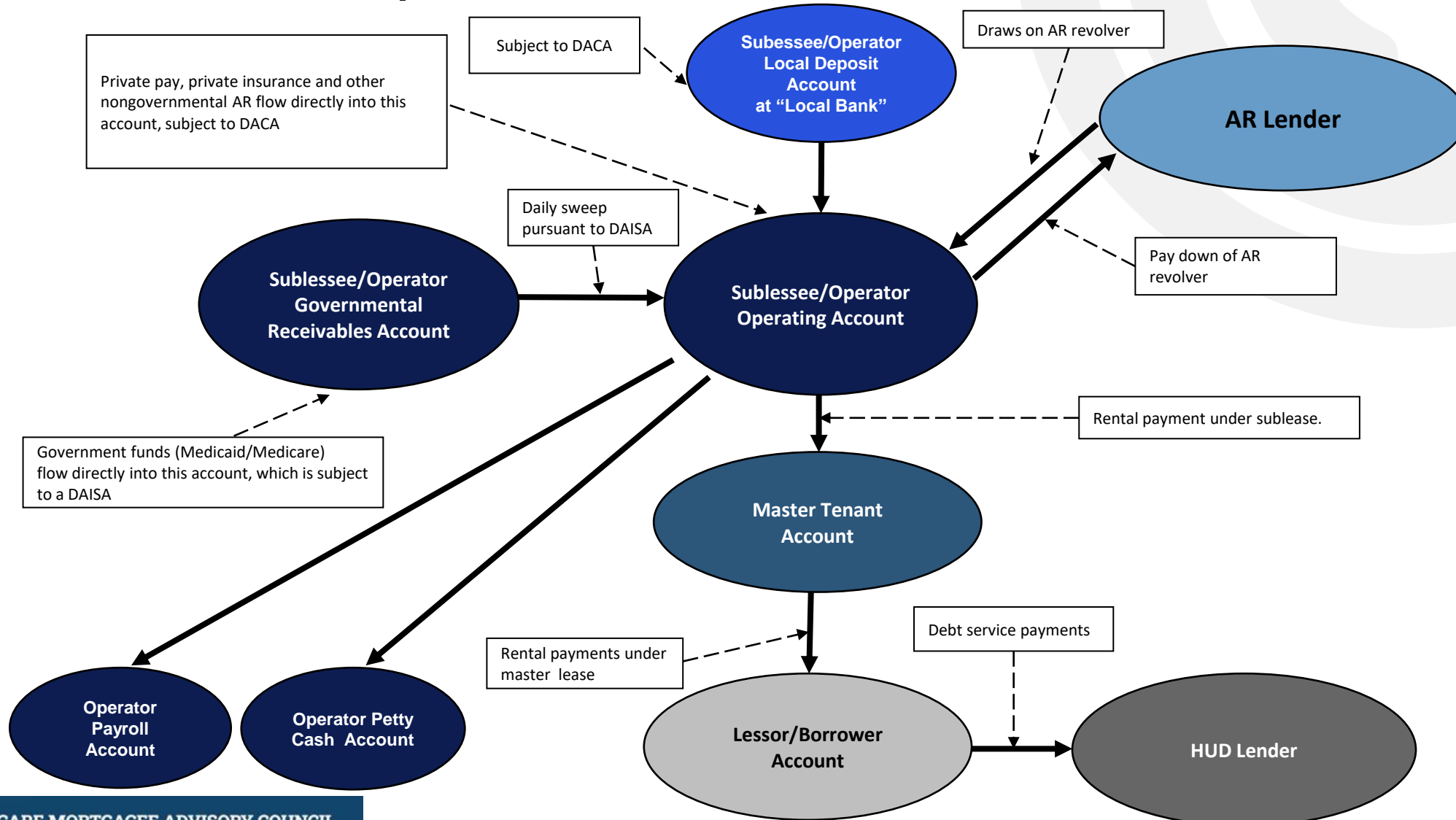
CASH FLOW STRUCTURES



SAMPLE BASIC HUD CASH FLOW STRUCTURE

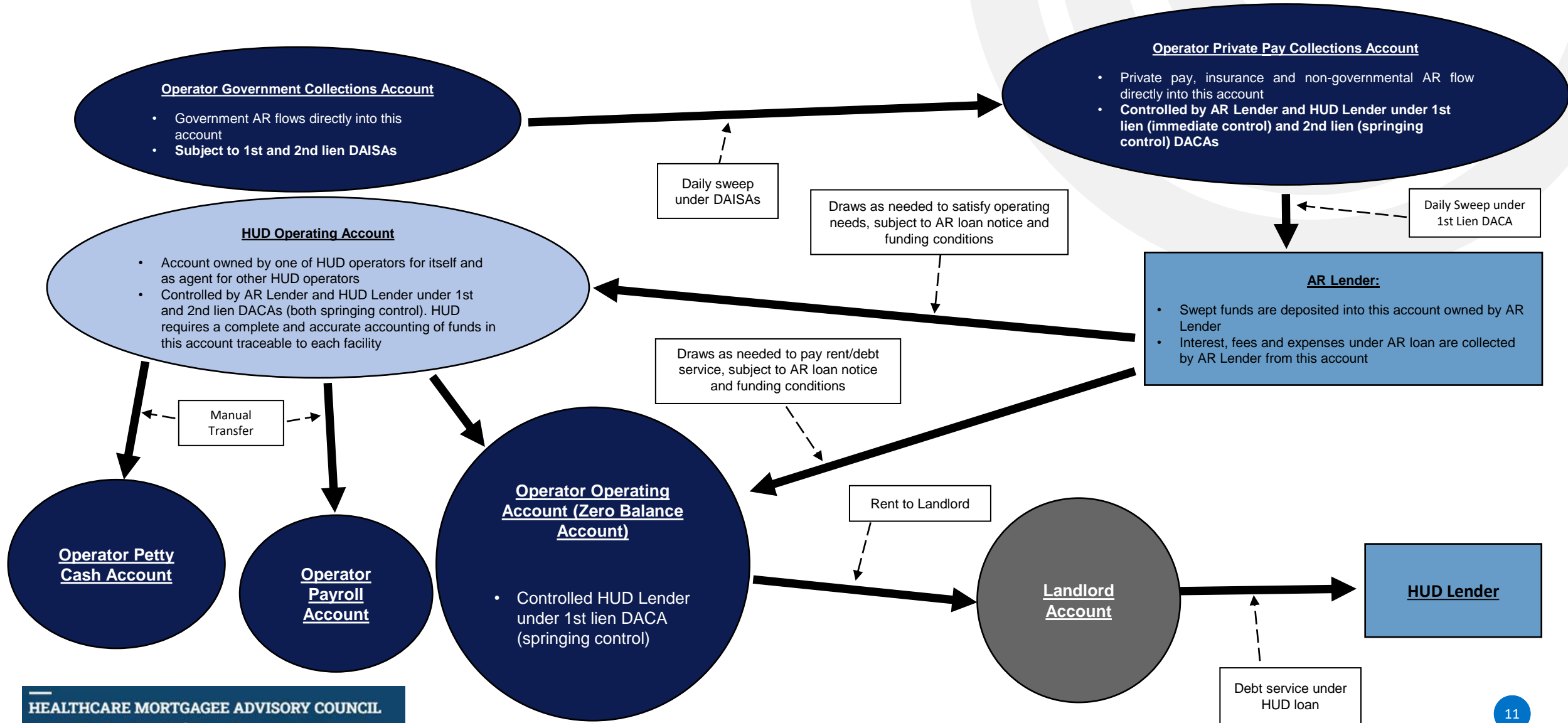


SAMPLE HUD CASH FLOW STRUCTURE WITH AR FINANCING, MASTER LEASE AND ANCILLARY OPERATOR ACCOUNTS

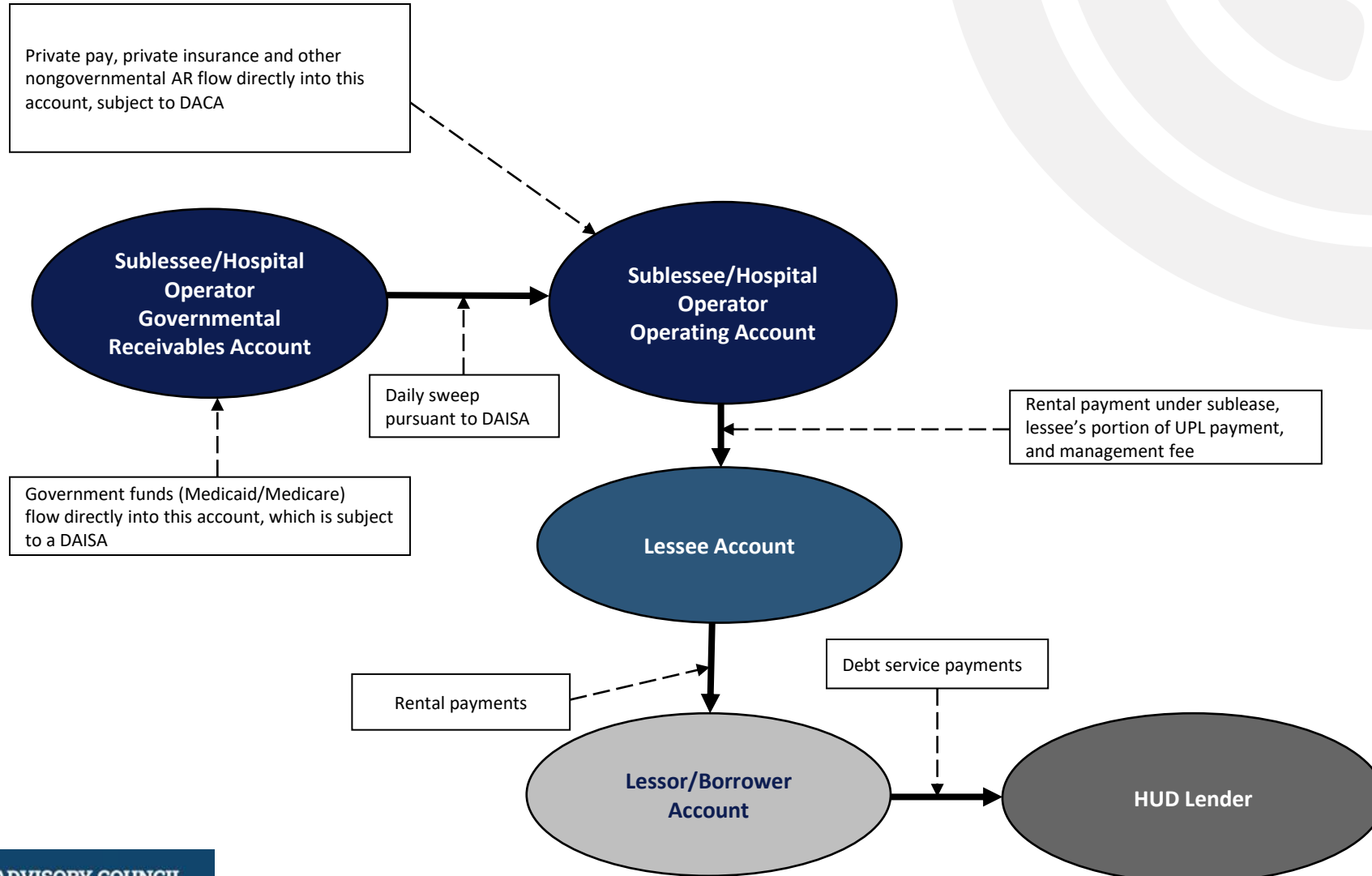


SAMPLE HUD CASH FLOW STRUCTURE

WITH AR LENDER CONCENTRATION ACCOUNT AND MASTER HUD OPERATING ACCOUNT

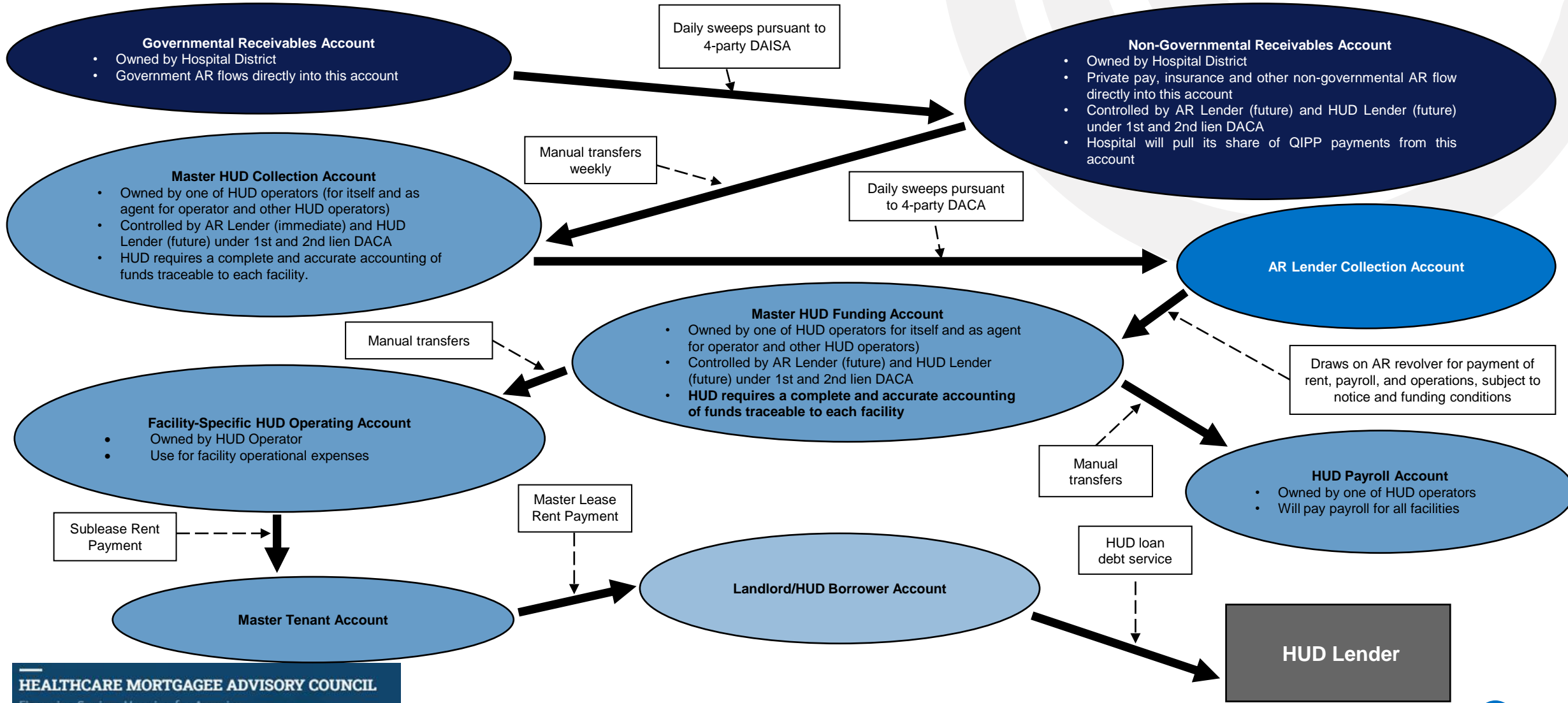


SAMPLE HUD CASH FLOW STRUCTURE WITH IGT HOSPITAL OPERATOR

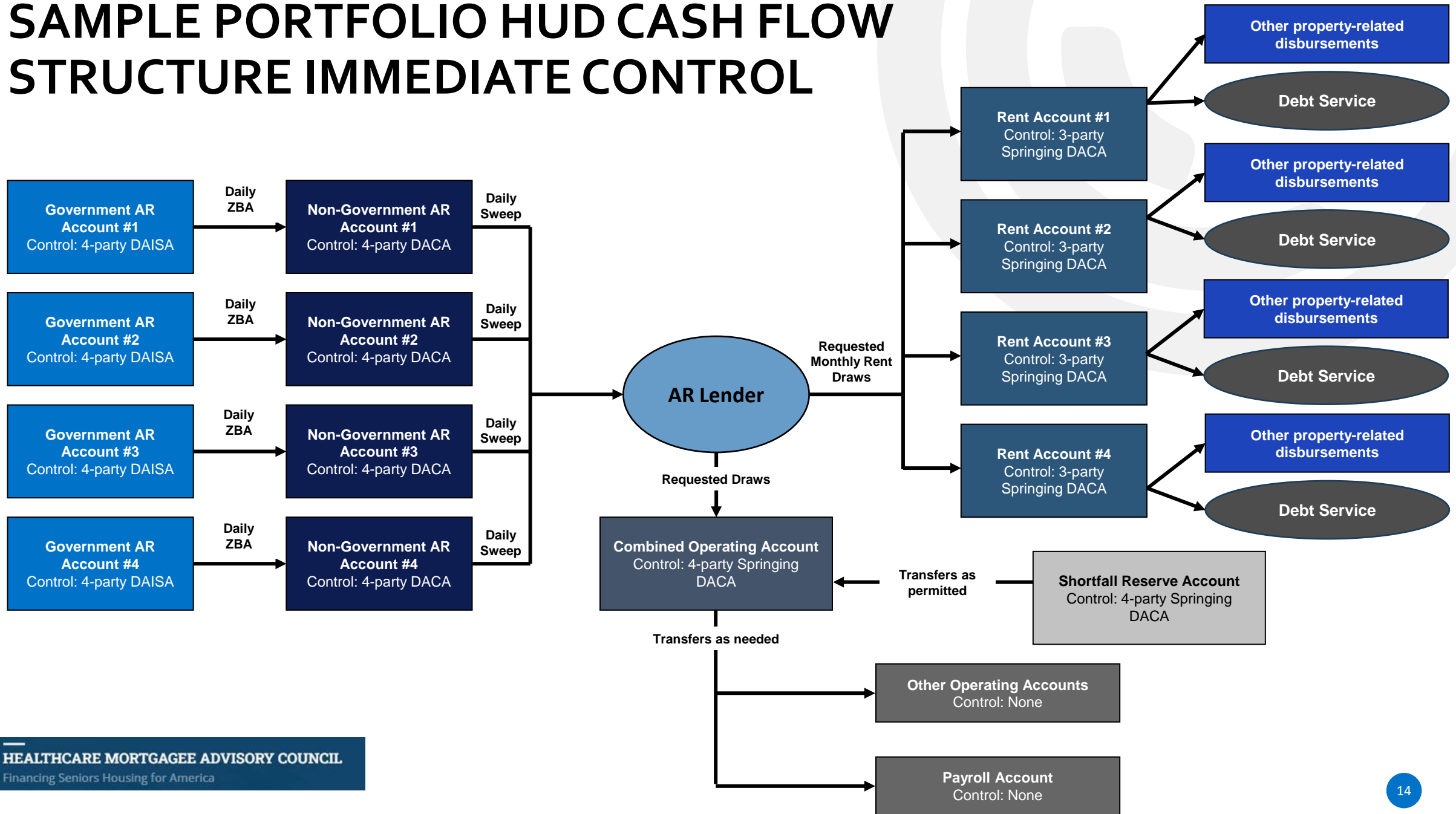


SAMPLE HUD CASH FLOW STRUCTURE

WITH QIPP HOSPITAL OPERATOR, AR FINANCING AND MASTER LEASE



SAMPLE PORTFOLIO HUD CASH FLOW STRUCTURE IMMEDIATE CONTROL



QUESTIONS?

