



October 28, 2020

NOTICE OF ACCELERATION OF DEBT AND EXERCISE OF RIGHT OF SETOFF

To the holders of

The Economic Development Corporation of the City of Dearborn Limited Obligation Revenue
and Refunding Revenue Bonds
(Henry Ford Village, Inc. Project), Series 2008 and Series 2017 (the "Bonds")

CUSIP Nos.:¹

242563AQ7

242563AR5

242563AS3

242563AT1

242563AU8

242563AV6

242563AW4

242563AX2

THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE ABOVE-REFERENCED BONDS. IF YOU RECEIVE THIS NOTICE AND ARE ACTING FOR A BENEFICIAL OWNER, PLEASE SEND THIS NOTICE TO THE BENEFICIAL OWNER(S) IMMEDIATELY.

UMB Bank, N.A., acts as Trustee (the "Trustee") for the holders of the above referenced Bonds issued under an Indenture of Trust between the issuer, the Economic Development Corporation of the City of Dearborn, Michigan (the "Issuer") and the Trustee's predecessor, dated as of October 1, 2008 and supplemented by that certain First Supplemental Trust Indenture between the Issuer and the Trustee, dated as of September 1, 2017 (collectively referred to as the "Indenture"). The proceeds of the Bonds were loaned by the Issuer to Henry Ford Village, Inc. (the "Borrower"). The Borrower used the proceeds of the Bonds to finance its continuing care retirement community located in Dearborn, Michigan, including 853 independent living apartments, 96 assisted living units, and 89 skilled nursing units (the "Facility").

Notice is hereby given that, at the direction of holders of a majority in principal amount of the Bonds outstanding (the "Majority Holders"), the Trustee accelerated the Borrower's obligation to pay principal and interest on the Bonds and related obligations on October 22, 2020, and that

¹ No representation is made as to the correctness of the CUSIP Numbers, which are included solely for the convenience of the holders of the Bonds.

the full amount of principal and interest on the Bonds and related obligations is now due and payable in full. In conjunction with the acceleration, the Trustee also exercised its right of setoff against the funds in the trust estate.

The Trustee previously disclosed that the Borrower ceased monthly payments to the Trustee toward semiannual payments on the Bonds in March, 2020, and that the interest payment due on the Bonds on May 15, 2020 was paid primarily by an unscheduled draw on the debt service reserve fund. Given the failure to make such payments and based upon the insolvency of the Borrower, the Trustee notified the Borrower of the occurrence of an Event of Default under the Indenture and related documents, which triggered the Trustee's entitlement to initiate remedial actions (including the right to accelerate and setoff, as noted above).

On September 22, 2020, the Borrower disclosed to the Trustee that it had recently agreed to settle a class action lawsuit (Plumley vs. Erickson Retirement Communities, Inc., et al., Circuit Court for Wayne County, Michigan, case no. 14-006796-CK). The settlement contemplated an \$800,000 payment by the Borrower (approximately 20% of the Borrower's available cash). The Trustee objected to the proposed settlement payment as an unauthorized use of the collateral securing the Bonds, and as a threat to the Borrower's financial stability. After a further court hearing on October 22, 2020 concerning the ability of the Borrower to make the settlement payment, the Judge ordered the settlement payment be made within seven days of such hearing (i.e., October 29, 2020).

With respect to the Borrower's financial situation the Borrower's board has named Chad Shandler of FTI Consulting, Inc. as the Chief Restructuring Officer for the Facility. Mr. Shandler is an experienced workout professional, with extensive background in the senior housing industry, with special expertise in entrance fee-based continuing care retirement communities.

Please contact the Trustee at the phone number or email address below if you wish to obtain additional information about the current situation:

Virginia Anne Housum
UMB Bank, N.A.
120 South Sixth Street, Suite 1400
Minneapolis, Minnesota 55104
Telephone: (612) 337-7003
Email: Virginia.Housum@umb.com

The Trustee will continue to advise holders of the Bonds by postings on the EMMA system maintained by the Municipal Securities Rulemaking Board concerning the Borrower and the Facility. Bondholders should not rely solely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice herein or as to the Bonds generally.

UMB BANK, N.A., as Trustee