

January 15, 2020

Investor Report for Q4 2019

Dear Chancery Surprise Behavioral Hospital Investor:

We hope that you had a great holiday season and would like to wish you all the best in the New Year!

Over the last quarter, the occupancy of our hospital has seen steady growth where we recorded an average daily occupancy of 4.8, 6.0 and 7.7 patients in October, November, and December, respectively.

The Medicare adjudicator is scheduled for a site visit in the week of the January 13, 2020. Upon successful review with satisfactory results, the hospital will be in a position to apply for Medicare and start to receive reimbursements for work we have been doing since opening.

We are also happy to report that the hospital continues to meet our expectations with respect to revenue and profit margin, thanks to the improvement in occupancy and per-patient revenue. The management team and staff at the hospital are working hard to stabilize the facility and we have every confidence in their ability to deliver.

We would like to inform you that the Issuer has exercised the option to extend the maturity date of your investment to March 28, 2021. During the extension period, you will continue to receive a 5% annual cash return, payable quarterly in arrears, and your deferred return will increase from 7% to 9% per annum, as described in the offering documents.

We will continue to issue quarterly updates with information on lease-up, operations, and stabilization as the project proceeds. Please feel free to check out the new website at <http://avenirbehavioralcenter.com/> for more details.

If you have any questions, please feel free to contact me (sarah@chanceryseniors.com) or our President, Jessica Zhang (jessica@chanceryseniors.com), directly with any questions.

Again, thank you for your investment in this project!

Sincerely,

Chancery Seniors Housing Investments Inc.



Sarah Cathrae

Managing Director