

**THE WATERFORD**  
**A LIFESPACE COMMUNITY**

**RESIDENCY AND CARE AGREEMENT**

**0% RETURN OF CAPITAL**

**(TRADITIONAL)**

## TABLE OF CONTENTS

1. ELIGIBILITY AND ACCEPTANCE FOR RESIDENCY.....	2
1.1. Requirements for Acceptance for Residency .....	3
1.1.1 Application .....	3
1.1.2 Medical Examination .....	3
1.1.3 Age .....	3
1.1.4 Health and Safety .....	3
1.1.5 Financial Status .....	3
1.2. Notification of Decisions.....	3
1.3. Conditioned Upon No Material Changes Prior to Occupancy .....	4
1.4. Duties of Resident to Notify Provider .....	4
1.5. Occupancy .....	4
2. LIVING ACCOMMODATIONS.....	4
2.1. Apartment .....	4
2.2. Furnishings .....	4
2.3. Alterations .....	5
2.4. Use of Apartment.....	5
2.5. Occupants of Apartment.....	5
2.6. Emergency Entry and Relocation .....	5
2.7. Guests .....	6
2.8. Personal Service Providers .....	6
2.9. Your Responsibilities With Respect to Your Apartment .....	6
2.10. Damage to Your Apartment or the Community .....	6
2.11. Right of Entry; Licensure .....	7
3. COMMUNITY FACILITIES.....	7
4. AMENITIES.....	8
4.1. Basic Amenities.....	8
4.1.1 Dining.....	8
4.1.2 Housekeeping and Laundry .....	8
4.1.3 Programs and Activities .....	8
4.1.4 Maintenance .....	8
4.1.5 Transportation .....	8
4.1.6 Fire Protection .....	9
4.1.7 Emergency Call System .....	9
4.1.8 Utilities and Insurance.....	9
4.1.9 Real Estate Taxes/Homestead Exemption.....	9
4.1.10 Miscellaneous Fees.....	9
4.2. Optional Amenities.....	9

5. HEALTH CENTER AND OTHER CARE .....	10
5.1 The Health Center.....	10
5.2 Health Center Admission Determination .....	10
5.3 Priority Access to the Community Health Center .....	11
5.4 Medical Director and Attending Physician .....	11
5.5 Health Center Accommodations.....	11
5.6 Alternate Accommodations .....	11
5.7 Specialized Rehabilitative Services.....	11
5.8 Emergency Care .....	12
5.9 Care Away from the Community .....	12
5.10 Under Age Sixty-Two (62).....	12
6 FEES .....	12
6.1 Entrance Fee .....	12
6.1.1 Entrance Fee Amount .....	12
6.1.2 Deposit .....	12
6.1.3 Balance of Entrance Fee .....	13
6.1.4 Escrow of Reservation Funds .....	13
6.1.5 Payment of the Entrance Fee by a Third Party .....	13
6.1.6 Entrance Fee Minimum Refund Percentage .....	13
6.2 Monthly Fee and Fees for Optional Amenities .....	13
6.3 Health Center Fees.....	13
6.3.1 Resident or Residents Temporarily Assigned to the Community Health Center .....	13
6.3.2 One Resident Permanently Assigned and Second Resident Retains Apartment.....	14
6.3.3 Resident or Residents Permanently Assigned and Apartment Released .....	14
6.3.4 Health Center Fee Upon Permanent Assignment .....	14
6.3.5 Apartment Retained .....	14
6.3.6 Return to an Apartment.....	15
6.3.7 Ancillary Charges .....	15
6.3.8 Alternate Accommodation Charges.....	15
6.3.9 Conditions, Services, Products and Items Not Included in Health Center Fee or Not Provided by Sponsor.....	15
6.4 Medicare and Supplemental Insurance.....	16
6.4.1 Medicare Advantage Plans/Managed Care.....	16
6.4.1.1 Participating Provider.....	17
6.4.1.2 Not a Participating Provider.....	17
6.4.1.3 Negotiated Managed Care Rate .....	17
6.4.1.4 No Negotiated Managed Care Rate.....	17
6.4.2 Post Medicare – Qualified Stay .....	17
6.5 Responsibility for Fee.....	17
6.6 Payment Procedures .....	17
6.7 Adjustments .....	18

6.7.1 Fees .....	18
6.7.2 Late Payment .....	18
6.7.3 Cease Payment of Monthly Fee for Apartment .....	18
6.7.4 Upgrade Fees .....	18
6.7.5 Continuance of Monthly Fee.....	18
6.8 Reserve Funds.....	19
7 FINANCIAL ASSISTANCE .....	19
7.1 Sponsor as Charitable Organization .....	19
7.2 Notification to Sponsor, Application for Assistance and Provision of Financial Information .....	19
7.3 Sponsor Assistance .....	19
7.4 Impairment Due to Actions of Resident .....	20
7.5 Assistance as Additional Charge .....	20
7.6 Execution of Documents to Secure Claim.....	20
7.7 Require Move to Smaller Apartment.....	20
7.8 Continued Requirements .....	20
7.9 90 Day Requirement as Per Florida Law.....	20
8 TRANSFERS FROM APARTMENT FOR NON-HEALTH REASONS.....	20
8.1 General Provisions Concerning Transfers for Non-Health Reasons .....	20
8.2 Substitution of Apartment .....	20
8.3 Voluntary Transfer of Single Resident.....	21
8.4 Joint Occupancy by Residents.....	21
8.5 Joint Occupancy by Resident and Second Person .....	22
8.6 Voluntary Transfer of One Joint Resident.....	22
9 TERMINATION OF AGREEMENT.....	23
9.1 Rescission Rights Pursuant to Florida Law .....	23
9.2 Voluntary Termination by Resident .....	23
9.2.1 Prior to Occupancy .....	23
9.2.2 After Occupancy .....	23
9.2.2.1 The Effective Date of Your Notice & the Agreement Termination Date.....	24
9.2.2.2 Your Continuing Monthly Fee Obligation.....	24
9.3 Termination Upon the Death, Illness, Injury or Incapacity of Resident After Rescission Period But Prior to Occupancy .....	24
9.4 Termination Upon the Death of a Resident After Occupancy.....	24
9.5 Termination by Payor .....	25
9.6 Termination by Sponsor .....	25
9.6.1 Termination Prior to End of Rescission Period .....	25
9.6.2 Termination After Rescission Period But Prior to Occupancy for Reasons Other Than Those Listed in Section 9.3 .....	25
9.6.3 Termination After Occupancy .....	25
9.6.4 Written Notice and Effect of Termination by Sponsor .....	26

9.6.5 You Must Vacate Your Apartment On or Before the Termination Date.....	26
9.7 Notice of Rescission or Termination by Any Party.....	26
10 REFUND OF ENTRANCE FEE AND OTHER EFFECTS OF TERMINATION.....	27
10.1 Refund in the Event of Termination by Sponsor or Rescission by Resident During Rescission Period.....	27
10.2 Refund After the Rescission Period But Prior to Occupancy Due to Death, Illness, Injury or Incapacity of Resident.....	27
10.3 Refund in the Event of Termination After Rescission Period and Prior to Occupancy for Reasons Other Than Death, Illness, Injury or Incapacity of Resident.....	27
10.4 Refund in the Event of Termination After Occupancy.....	27
10.4.1 Processing Fee.....	27
10.4.2 Amortization of Entrance Fee and Return.....	27
10.4.3 Other Amounts Retained.....	28
10.5 Timing of Refund Payment in the Event of Termination After Occupancy.....	28
10.6 Non-reimbursable Amounts.....	28
10.7 General Provisions for Refunds to Couples.....	28
10.8 Non-Refundability of Payments for Alterations.....	29
10.9 Making Refunds Payable to Third Parties.....	29
10.10 Continued Payment of Monthly Charges.....	29
11 RESIDENT AFFAIRS AND EFFECTS.....	29
11.1 Resident's Personal Obligations.....	29
11.2 Durable Power of Attorney, POLST and Advance Directives.....	29
11.3 Application for Guardianship.....	30
11.4 Relocation of Personal Property; Restoration of Apartment.....	30
12 RESPECTIVE RIGHTS OF RESIDENT AND SPONSOR.....	30
12.1 Agreements with Other Residents.....	30
12.2 Policies of the Community and Resident Handbook.....	30
12.3 No Lease of Apartment or Assignment of This Agreement.....	30
12.4 Resident Council.....	31
12.5 Resident's Rights.....	31
13 MISCELLANEOUS.....	31
13.1 Your Liability Claims Against Third Parties.....	31
13.2 Your Personal Property and Liability Insurance Responsibilities.....	31
13.3 Interruption in Services.....	32
13.4 Your Liability for Injury or Damage.....	32
13.5 Motorized Assistive Devices.....	32
13.6 Pets.....	32
13.7 Tax Matters.....	32
13.8 Review of Disclosure Statement.....	32
13.9 Notices.....	32

13.10	Entire Agreement.....	33
13.11	Continuing Obligations.....	33
13.12	Severability .....	33
13.13	Waiver of One Breach Not a Waiver of Any Other .....	33
13.14	Sponsor’s Right to Contract.....	33
13.15	Assignment By Sponsor.....	33
13.16	Counterparts and Signature.....	33
13.17	Subordination.....	34
13.18	Temporary Evacuation Due to Natural Disaster.....	34
13.19	Use of Your Apartment in an Emergency .....	34
13.20	Use and Disclosure of Personal Information; Authorization to Discuss Health Information .....	34
13.21	Resident’s Representations .....	34
13.22	Changed Circumstances.....	34
13.23	Misrepresentation or Omission.....	35
13.24	Confirmation of Receipt of a Copy of the Residency Agreement.....	35
13.25	Confirmation of Receipt of a Copy of the Entrance Fee Receipt .....	35
13.26	Dispute Resolution Procedures.....	35
	13.26.1 Negotiations.....	35
	13.26.2 Mediation.....	35
	13.26.3 Binding Arbitration .....	36
	13.26.4 Binding Arbitration Procedures.....	36
	13.26.5 Litigation .....	37
	FLORIDA STATUTE 651 REQUIRED NOTICE .....	38
	SIGNATURE PAGE .....	39

GLOSSARY

ADDENDUM A

SUMMARY SHEET

APPENDIX A

RECEIPT OF ENTRANCE FEE FUNDS

**LIFESPACE COMMUNITIES, INC.  
THE WATERFORD**

**RESIDENCY AND CARE AGREEMENT**

This Residency and Care Agreement is made by and between Lifespace Communities, Inc. ("Sponsor") and \_\_\_\_\_ ("you" or "Resident") and, if applicable, the person who provided the transfer of property or funds for your care and has executed this Agreement in this capacity, \_\_\_\_\_ ("Payor"). If more than one person is signing this Agreement as a resident, these terms refer to each of you individually, and to both of you together, and the rights and obligations of each of you are joint and several, except as the context of this Agreement otherwise requires.

**INTRODUCTION**

This Residency and Care Agreement ("Agreement") is entered into by Lifespace Communities, Inc., an Iowa not-for-profit corporation whose address is 100 E. Grand Ave., Suite 200, Des Moines, Iowa, 50309, ("Sponsor," "we," "us," or "our"), concerning the provision of a Life Care Agreement at its community, The Waterford ("Community") and the person(s) identified in Addendum A as "Resident." Community is a continuing care retirement community located in Juno Beach, Florida, whose purpose is to provide individuals who are sixty-two (62) years of age and older a way of living, commonly referred to as life care or continuing care (as it is defined by Section 651.011, Florida Statutes).

The Community is operated on a nonprofit basis to satisfy the primary needs of the senior population: the need for specially designed housing, the need for residential care, the need for health care, and the need for financial security. As a life care retirement community, we provide a continuum of care and services to a resident for life, even if, through no fault of the resident, he or she becomes financially unable to pay the monthly fees. These fees will be subsidized by the Community and you will have the same access to services with no interruption in the care you receive or change in priority status

Sponsor and Community are not affiliated with any religious or proprietary (privately owned) organizations. Sponsor is affiliated with the following 501(c)(3) tax exempt, nonprofit organizations: The Lifespace Foundation, Deerfield Retirement Community, Inc., Lifespace DG, LLC, Lifespace, Inc., Lifespace Management, Inc., and Lifespace Services, Inc. No affiliate organization is responsible for the financial and contractual obligations of the Sponsor or the Community. Sponsor (and the Community) and its affiliated entities are exempt from payment of Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Sponsor is solely responsible for operation of the Community and for performance of this Agreement. Sponsor owns and operates other life care retirement communities (such communities are not separate legal entities, but are part of Lifespace Communities, Inc.): Abbey Delray (Delray Beach, FL), Abbey Delray South (Delray Beach, FL), Beacon Hill (Lombard, IL), Claridge Court (Prairie Village, KS), Friendship Village of Bloomington (Bloomington, MN), Friendship Village of South Hills (Upper St. Clair, PA), Grand Lodge at the Preserve

(Lincoln, NB), Harbour's Edge (Delray Beach FL), The Waterford (Juno Beach FL) and Village on the Green (Longwood FL).

Sponsor provides quality residential housing for seniors along with a wide array of features, items and amenities outlined in this Agreement. Subject to the conditions contained in this Agreement, we agree to make available to you the residential living apartment (hereafter "Apartment") described in Addendum A.

The Community is designed to offer an environment that enriches your life. The objective of Sponsor and the Community is to offer a lifestyle with services and programs based on your interests that will compliment or augment your current lifestyle and well-being. The design of the Community allows for creative and healthy lifestyle activities in a comfortable environment.

In addition, there are health care benefits and convenient access to health care as further described in this Agreement if needed. As a Resident of a life care retirement community, you are offered lifetime use of an Apartment, support services, and health care in an on-site Health Center as herein described. After you utilize all Medicare and supplemental insurance benefits, if applicable, you will receive health care as provided by our Health Center at the rate set forth in this Agreement, as the same may be adjusted from time to time.

Prior to signing this Agreement, you signed a reservation agreement ("Reservation Agreement") and made a reservation deposit in the amount of ten percent (10%) of your Entrance Fee to reserve the Apartment identified in Addendum A at the Community. If there is any conflict or inconsistency between this Agreement and the Reservation Agreement, this Agreement supersedes the Reservation Agreement. As is the Reservation Agreement, this Agreement is subject to applicable provisions of Florida law.

As a condition to your occupancy of the Apartment, you are required to meet our eligibility requirements, including without limitation, the health and financial conditions of acceptance into the Community and to otherwise comply with the requirements of Section 1 of this Agreement.

The purpose of this Residency and Care Agreement is to set forth your rights and duties as a Resident of the Community and to delineate the features, items and amenities to be provided at the Community.

This Agreement shall take effect on the date that it has been signed by both parties (this date is found on the signature page and is referred to as the Agreement Date) and will be in effect for the rest of your life, unless this Agreement is terminated as provided in Section 9 hereof.

**1. ELIGIBILITY AND ACCEPTANCE FOR RESIDENCY.** If you are reviewing this Agreement in the time period before you sign this Agreement, you may have questions about the application and acceptance process. Our obligations to provide certain features, items, and amenities hereunder are conditioned upon our acceptance of Resident for residency at the

Community in accordance with this section. The decision to accept a Resident for residency at the Community is within our sole discretion subject to applicable law.

### **1.1. Requirements for Acceptance for Residency.**

**1.1.1. Application.** Before you are accepted for residency at the Community, you will complete and submit certain application forms. You hereby certify to us that all information reflected in your Application, including all personal financial information, is complete and accurate. Your Application is hereby incorporated into and made a part of this Agreement.

**1.1.2. Medical Examination.** In addition to the Application, you may be required to complete a physical examination and provide us a confidential medical history and medical records to assure that you satisfy the health and safety requirements described in Section 1.1.4.

**1.1.3. Age.** To be accepted for residency at the Community, you must generally be at least sixty-two (62) years of age on or before the date of Occupancy or be applying for residency with a person who is or will be sixty-two (62) years of age or older at the time of Occupancy.

**1.1.4. Health and Safety.** To be accepted for residency at the Community, you must be free of dangerous or contagious diseases and be able to reside in your Apartment (with or without reasonable accommodation or reasonable modification). The level of treatment, care, or supervision that you require must not exceed that which the Community is licensed to provide or provides in the ordinary course of its business. Your residency at the Community must not present a threat to your health or safety or to the health, safety, or well-being of other residents or staff of the Community or be likely to result in substantial physical damage to the property of others.

**1.1.5. Financial Status:** To be accepted for residency at the Community, you must provide financial documentation indicating, to Sponsor's satisfaction, the ability to pay the Entrance Fee and the Monthly Charges during the term of this Agreement.

**1.2. Notification of Decisions.** Within thirty (30) days of your satisfaction of all of the requirements set forth in Section 1.1, we shall notify you of our decision concerning your acceptance for residency at the Community. If you are not accepted for residency at the Community, we will promptly refund your Reservation Deposit to you, and the parties shall have no further obligations to one another under the Reservation Agreement, or this Agreement, as applicable.

**1.3. Conditioned Upon No Material Changes Prior to Occupancy.** As a condition to your acceptance for residency at the Community, there shall be no material change in the information in your Application prior to your Occupancy. In the event of any material changes prior to the Occupancy to the health and financial conditions that we may require

for residency set forth in Section 1.1, we may revoke our acceptance of you for residency at the Community at any time prior to the Occupancy by written notification to you, and your Reservation Deposit shall be refunded to you within thirty (30) days.

**1.4. Duties of Resident to Notify Provider.** You acknowledge and agree that we have relied on all the information contained in your Application and on your confidential medical history and medical examination, if applicable, to make our decision regarding your acceptance for residency at the Community. Any misrepresentation or omission by you shall render this Agreement null and void at our option. You agree to notify us prior to the Occupancy of any material change in any of the matters covered by, or reflected on, the Application or, if applicable, the confidential medical history and medical exam.

**1.5. Occupancy.** You are required to take Occupancy of the Apartment within ninety (90) days of your signing the Reservation Agreement.

## **2. LIVING ACCOMMODATIONS**

**2.1 Apartment.** You have selected the Apartment described in Addendum A in which to live ("Apartment"). You will have a personal and non-assignable right to live in your Apartment, subject to the terms of this Agreement, and the rules, Policies of the Community, as outlined in the Resident Handbook and as otherwise issued by the Community, as amended from time to time, in Sponsor's discretion. (See Appendix A, Disclosure Statement which contains a current copy of the Resident Handbook.).

**2.2 Furnishings.** Your Apartment is furnished with appliances and floor coverings as determined by the Community. We assume that you wish to provide your own furnishings for your Apartment (other than those listed here). You may decorate your Apartment in accordance with your own individual tastes and preferences. However, decorations and all other modifications that would affect the exterior appearance of your Apartment require Sponsor's prior written approval. If, after taking possession of your Apartment, you wish to re-carpet or paint the interior of your Apartment, you may do so at your own expense and subject to Section 2.3 below. You are at liberty to use your own furniture, minor appliances and special equipment, provided that the safety standards of the Community are met. (See the Resident Handbook). You agree, at Sponsor's request and at your cost, to remove any furnishings, minor appliances and special equipment from your Apartment that do not meet the Community standards. You or your estate will be responsible for removing, at your or your estate's cost, all such furniture, appliances, decorations, personal items and special equipment when your Apartment is vacated.

**2.3 Alterations.** Sponsor may make any alterations, additions, improvements, replacements, or repairs to your Apartment at any time to meet legal requirements, Community needs, or as necessary in the judgment of Sponsor. Also, Sponsor may make any alteration to the Community it deems appropriate. You may not make any structural modification to your Apartment or the Community. You may make nonstructural alterations, additions or improvements (collectively referred to as alterations) to your Apartment, provided you

obtain prior written consent from Sponsor. For any alteration, you agree that: (i) such work will be performed by Sponsor or under its direction if the Sponsor agrees in its sole discretion to permit; (ii) you will bear the costs of all labor, materials, plans, permits, approval, and incidental expenses necessary to make such alterations; (iii) you will carry sufficient insurance coverage to protect against all possible liabilities involved in the alteration and (iv) all such work shall be performed diligently and in a first-class, workmanlike and lien-free manner. If the alterations are other than Sponsor's standard upgrade, you or your estate must pay, upon signing the Approved Alterations Agreement the charge for restoring your Apartment to its original condition upon termination of your occupancy of your Apartment for any reason, unless waived by Sponsor. The costs related to an alteration shall be deemed a Miscellaneous Expense hereunder.

**2.4 Use of Apartment.** The Apartment is for living only and shall not be used for carrying on any business or profession, nor in any manner in violation of zoning restrictions. This Agreement is not a lease, and entitles you only to the lifetime use of the Apartment and other amenities of the Community and to available services, subject to the terms and conditions of this Agreement.

**2.5 Occupants of Apartment.** Except as hereinafter provided, no person other than you (or both of you if there are two of you) may occupy the Apartment except with our express written approval. In the event that a second person who is not a party to this Agreement (including a spouse) wishes to be accepted for residency under this Agreement, after the date we execute this Agreement, said second person's acceptance will be based upon our then-current Residency Policy. If accepted, payment of the then-current second person fee and additional Monthly Fees for second persons shall be due. If such second person does not meet the requirements for residency, such second person will not be permitted to occupy the Apartment for more than thirty (30) days as a guest in accordance with Section 2.7 (except with our express written approval).

**2.6 Emergency Entry and Relocation.** We may enter your Apartment should it be necessary in an emergency to protect your health or safety, the health or safety of others or to protect Sponsor's or other residents' property. Should it be necessary to modify facilities to meet the requirements of any applicable law or regulation which necessitate temporarily vacating your Apartment, we will provide alternate facilities for you without Extra Charge within or outside the Community. Further, if relocation is recommended by the Medical Director or your attending physician, we will request that you relocate to another Apartment within the Community or the Community Health Center for the protection of your health or safety or for the health and safety of others.

**2.7 Guests.** A guest may stay with you in your Apartment for up to thirty consecutive days without prior Sponsor approval. Any stays longer than thirty consecutive days require prior Sponsor approval. Guests may not stay in your Apartment when you are not present, unless you obtain prior written approval from Sponsor. In no case shall any guest stay exceed fifty (50) days (consecutive or not) in a calendar year. Sponsor will provide your family and other guests with opportunities to visit and participate in activities at the Community,

if you desire. All guests must abide by all applicable rules contained in the Resident Handbook. If your guest exceeds the limitations on the length of stay, he or she must apply and qualify for residency at the Community. (See Section 1) You will be responsible for assuring that your guests abide by these rules and are not disruptive. Your guests may be denied access to the Community if they fail to observe the rules as determined by Sponsor. From time to time, subject to availability, Sponsor may offer guest rooms at the Community for an additional charge. Any Personal Service Provider providing services to you are not considered guests and are not entitled to the same privileges as guests. (See Section 2.8)

**2.8 Personal Service Providers.** You may arrange for Personal Service Providers to provide services in your Apartment provided that: (i) such care or delivery of service is consistent with all applicable laws, including Florida laws and regulations pertaining to the service being provided; (ii) you accept full responsibility for the cost of such services; and (iii) you and the Personal Service Provider agree in writing to adhere to and actually do comply with the Community's Personal Service Provider Manual and this Section 2.8. You understand and agree that Sponsor shall not be liable for any loss, damage, or injury to you, another resident of the Community, or any other person caused by the Personal Service Provider; (vi) you agree to indemnify and hold harmless Sponsor for any loss, damage or injury to you, Sponsor or Sponsor's employees, agents or visitors, another resident, or any other person or property caused by the Personal Service Provider.

**2.9 Your Responsibilities With Respect to Your Apartment.** You agree to keep your Apartment in a clean and orderly condition. You agree to use and occupy your Apartment solely as your home and to maintain it in compliance with all applicable governmental requirements, including all public health and police regulations. You agree not to: (i) permit another person to reside in your Apartment without the prior approval of Sponsor; (ii) use or operate any equipment or machinery or engage in any conduct that may cause loss or damage to the Community, may harm residents or staff, or is disturbing to other residents or the effective administration of the Community; (iii) engage in any commercial activity at the Community; (iv) employ any person in or about your Apartment whose employment or presence may create a liability on the part of Sponsor; or (v) hire any of the Community's employees for any purpose without the written consent of Sponsor.

**2.10 Damage to Your Apartment or the Community.** Sponsor will maintain insurance on the Community, including property damage and business interruption insurance, in amounts and with coverages it shall determine in its reasonable discretion. If all or part of the Community is destroyed or damaged by fire, natural disaster, or other loss and, in Sponsor's reasonable discretion, the insurance proceeds are sufficient to rebuild the Community to its previous condition, Sponsor will proceed to have the Community restored unless then-existing laws or other circumstances would not permit prompt reconstruction and restoration or other circumstances make reconstruction and restoration not feasible. If Sponsor proceeds to restore the Community, it will restore affected units only with the standard fixtures and floor plans for such units, unless otherwise agreed in writing. If Sponsor proceeds to restore the Community and your Apartment is not suitable

for occupancy during such restoration, Sponsor will pay, and include in the costs of operating the Community, the costs of renting reasonably comparable quarters at or near the Community, provided you continue to pay your Monthly Fee. During the period of restoration, Sponsor will use all reasonable efforts to find suitable housing for such period, but if no such housing can be procured by Sponsor despite such efforts, the responsibility for locating such housing will be yours. Sponsor cannot guarantee that such temporary alternative accommodations will be located at or near the Community or near any other residents of the Community. Throughout such time and to the extent reasonably practicable, Sponsor will continue to furnish you or arrange for you to be furnished with the services that it has agreed to provide to you under this Agreement or with appropriate substitutes. You will continue to be responsible for the payment of your Monthly Fee if temporary accommodations and services are being provided to you. If the casualty insurance proceeds are insufficient to restore the premises or Sponsor determines not to or is otherwise unable to rebuild the Community for any other reason, Sponsor may terminate this Agreement. (See Section 9.6.3) In that case, you shall receive a refund of your Entrance Fee in accordance with Section 10.4 and 10.5 regardless of the availability of insurance proceeds.

**2.11 Right of Entry; Licensure.** Sponsor and its agents will have the right, upon reasonable notice where practicable, to enter your Apartment to perform services, make repairs, display your Apartment to prospective residents (for example, if you have given Sponsor a notice of termination), and for all other lawful purposes. In addition, because the Community is licensed as a continuing care community and has a licensed skilled nursing center, it may be necessary for a representative of the State of Florida to enter and inspect the Community and your Apartment, without advance notice. Sponsor will make reasonable efforts to preserve your privacy in your Apartment.

**3. COMMUNITY FACILITIES.** You will be entitled to share with all other residents the use of the grounds and common facilities at the Community subject to the rules and regulations of the Community, as outlined in the Resident Handbook. Common facilities currently available to residents include a main dining room, arts and/or crafts or hobby room, salon and spa, lounges, meeting rooms, a library, and other areas at the Community. Sponsor may eliminate, modify or expand common facilities at the Community at its sole discretion.

#### 4. AMENITIES.

**4.1. Basic Amenities.** The following amenities will be provided to you by Sponsor for as long as you reside in your Apartment and are covered by your Monthly Fee. Sponsor strives to be responsive to the needs and desires of residents concerning the amenities provided at the Community. Accordingly, the nature and scope of basic amenities offered at the Community may be changed by Sponsor upon sixty (60) days' written notice to you. Also, Provider may increase or decrease your Monthly Fee from time to time upon sixty (60) days advanced written notice to you. A schedule of the changes in the Monthly Fee for the prior five years is included in our Disclosure Statement accompanying this Agreement.

**4.1.1. Dining.** One meal per day in the dining areas designated for this purpose by the Community. Occasional tray service to your apartment and modified diet consultation when ordered by the medical director or director of nursing services due to a temporary illness or incapacity is also included. Sponsor may in its sole discretion provide the one meal per day or the equivalent through other dining options, such as a monthly dining allocation;

**4.1.2. Housekeeping and Laundry.** Standard light housekeeping services will be provided to your Apartment on a scheduled basis per Community policy, which include flat linen service.

**4.1.3. Programs and Activities.** Sponsor offers various social, educational, spiritual, cultural, fitness and recreational programs and activities at and away from the Community, some of which may involve an extra charge. These programs and activities are offered with the expectation that some of them may meet the diverse interests of our residents. You are welcome to participate in these activities as you wish. The programs and activities may change from time to time.

**4.1.4. Maintenance.** Sponsor will provide routine and preventative maintenance and repairs to your Apartment. Sponsor will also maintain all Community buildings, common areas and grounds. Your Monthly Fee does not include the cost of maintenance and repairs of your Apartment made necessary due to your or your guests, employees or other hired by you actions or inactions, including stains and odors. Any such costs will be charged to you separately. You are also responsible for maintaining or arranging for the repair and maintenance of your personal property.

**4.1.5. Transportation.** Scheduled group transportation will be provided to local destinations as determined by Sponsor and scheduled transportation to your appointments with professionals offering medical, dental and other health care services within the local area and within designated times. Transportation may be on a shared ride basis.

**4.1.6. Fire Protection.** Your Apartment is equipped with a smoke detector.

**4.1.7. Emergency Call System.** Your Apartment is equipped with an emergency call system which shall be monitored by Community staff.

**4.1.8. Utilities and Insurance.** Electricity, water, sewer, trash/garbage removal, heating and air conditioning, liability and casualty insurance for Community common areas and basic cable television services.

**4.1.9. Real Estate Taxes/Homestead Exemption.** Sponsor will annually estimate the real estate taxes, special taxes and assessments, and any other taxes that it believes may be levied against the Community by the city, county and state in which the Community is located. Those taxes will be included in the costs of operating the Community that are paid from the monthly fees, but you will not receive a separate resident tax bill.

**4.1.10. Miscellaneous Fees.** Some of our communities pay as part of the Monthly Fee additional costs incurred by the community to provide other benefits to the residents, such as membership in a local home owners association. Please see the Resident Handbook for further information.

**4.2. Optional Amenities.** The following optional amenities may be provided to you, at your request, for an additional charge for as long as you reside in your Apartment or until you request to stop the provision of such amenities. A current Schedule of Fees of Optional Amenities is included in the Disclosure Statement. The nature and scope of additional amenities and the fees for same may be adjusted from time to time at the election of Sponsor, upon sixty (60) days' written notice to you. Certain additional amenities for extra charge will also be available to you while you are in the Community Health Center.

**4.2.1.** Outpatient clinic services on-site for walk-ins and scheduled appointments during regularly scheduled hours as may be offered by the Community (some of our communities do not offer this optional amenity) and subject to a fee schedule.

**4.2.2.** Additional transportation to nearby medical appointments;

**4.2.3.** Meals, food, and beverage services in excess of the one daily meal;

**4.2.4.** Special diets, ordered by a physician as a medical necessity.

**4.2.5.** Limited tray service to your Apartment when approved by the Health Center staff for a period of time in excess of a temporary illness.

**4.2.6.** Special events scheduled by you;

**4.2.7.** Additional housekeeping services;

- 4.2.8. Additional laundry services;
- 4.2.9. Additional maintenance services in your Apartment;
- 4.2.10. Guest rooms – if available;
- 4.2.11. Special activities and programs;
- 4.2.12. Valet parking services for private functions.
- 4.2.13. Other services that may be provided from time to time

## 5. HEALTH CENTER AND OTHER CARE.

**5.1. The Health Center.** Sponsor has no obligation or responsibility for monitoring your physical or mental health while you reside in your Apartment. Upon receipt of documentation of medical necessity and upon execution of a separate Health Center Admission Agreement, Sponsor will provide routine levels of supportive and restorative basic skilled nursing care to you in the Health Center. Such services shall include assistance with daily activities such as bathing, dressing, and grooming as well as administration of medications, care planning, skin and wound care, incontinence care, arranging for diagnostic and therapeutic services, and dietary services. We will not provide health services (a) to the extent not authorized by our license from the state of Florida, (b) if we are not staffed or equipped to provide required services, (c) that we do not routinely provide, or as further set forth in Section 5.2. and Section 6.3.9

**5.2. Health Center Admission Determination.** Decisions regarding your need for care which require your transfer from your Apartment to the Community Health Center will be made in the reasonable discretion of the Sponsor following a care meeting with you or your designated health care representative, the Community health care team and your attending physician (if you have one). If it is determined by the Sponsor that health center care be given, resident agrees to relocate to the Community Health Center. You acknowledge and agree that, from time to time, Sponsor may conduct assessments of your condition and care needs so that Sponsor can make these decisions, however Sponsor is under no obligation to do so. Sponsor may transfer you to the Community Health Center or to an outside facility if, in the judgment of Sponsor, through the Community health care team, any of the following circumstances exist: (1) you require a level of care that can no longer be provided in your current location and may be provided more safely, effectively or efficiently at a location other than in your current location within the Community; (2) your condition or needs requires your transfer to a hospital, dementia care facility, psychiatric facility or other facility, and the Community does not have such facilities available to provide that level of care. (3) you require care that may not lawfully be provided in your current location within the Community; (4) you require care that Sponsor does not routinely provide in your location within the Community; (5) you engage in conduct or have a condition that interferes with the peaceful lodging of residents or the administration

of the Community, or endangers Community property or the property or health of other residents or staff; or (6) you develop a physical or mental condition that endangers your health, safety, or well-being or that of another person or causes an unreasonable and ongoing disturbance at the Community.

- 5.3. Priority Access to the Community Health Center.** You will receive first priority access to the Health Center over non-residents. Priority for admission to the Health Center among residents will be established upon a first-in-time basis with respect to each type of unit in the Health Center. You agree to move promptly to the Health Center upon Sponsor's notice that a room at the Health Center is available.
- 5.4. Medical Director and Attending Physician.** Sponsor is required by law to designate a licensed physician to act as medical director of the Community Health Center. The medical director is not an employee of Sponsor. You may engage the services of the medical director or the services of a physician of your choice. We will not be responsible for the cost of medical treatment by physicians chosen by you or for the cost of medical treatment by the medical director, nor will we be responsible for the cost of medication, prescribed therapy, and the like. In the event we incur or advance costs for your medical treatment or for medication, prescribed therapy, and the like (even though such medical care is given at the direction of your attending physician or the medical director without your prior approval), you will reimburse us for such costs.
- 5.5. Health Center Accommodations.** Nursing care will be provided in semi-private health center accommodations. If available, private health center accommodations may be selected for an extra charge. However, at our sole discretion, if the private room in which you are residing is needed for semi-private use and providing your use of the private room is not medically necessary, you agree to reside in a semi-private room until a private room is once again available.
- 5.6. Alternate Accommodations.** You shall be given priority over non-residents for admission to the Health Center. In the unlikely event the Community Health Center is fully occupied, you agree to relocate to an alternate health care facility with which we have agreements to provide nursing care. You will have first priority over non-residents for admission to the Health Center at the Community when space becomes available.
- 5.7. Specialized Rehabilitative Services.** At your request, Sponsor will assist you in obtaining specialized rehabilitative services from rehabilitative providers, such as physical therapy, occupational therapy, speech therapy, and audiology. Such care shall be at your sole expense.
- 5.8. Emergency Care.** In the event Sponsor becomes aware of an emergency, a staff member will respond and contact "911" emergency services if the staff member deems it appropriate. Sponsor will attempt to contact your personal physician, but if this is not practical, take any other action that it deems appropriate under the circumstances. Please refer to the Resident Handbook for further information on emergency care provided within

your Community. Emergency Services provided by an external party will be at your sole expense.

**5.9. Care Away From the Community.** Sponsor shall have full authority and right to transfer you from the Community for hospitalization or other health-related services without obtaining your consent, if the Sponsor and the Medical Director determines that: (1) the Community does not have adequate facilities or staff to provide the care you need; (2) your continued stay in the Community constitutes a danger or health hazard to you or other residents, or is detrimental to the peace or security of other residents; or (3) any cause for transfer set forth in Sections 5.2 exist or to enable you to receive services not provided by the Community as set forth in 6.3.9 exist. If you are transferred from the Community under this Section 5.9, you will be responsible for all fees resulting from the transfer.

**5.10. Under Age Sixty-Two (62).** If you are under age sixty-two (62) when you occupy an Apartment under this Agreement, you shall be entitled to care offered in the Community Health Center. However, you will be charged the then-current per diem rate being charged to non-residents until you attain the age of sixty-two (62). After attaining the age of sixty-two (62) you may be eligible to receive Life Care. Eligibility will be determined in accordance with the eligibility and application requirements in effect at the time you turn sixty-two and file your application.

**6. FEES.** Occupancy of your Apartment, use of the accommodations in the Community, and the right to receive the services described in this Agreement are contingent upon your payment of the fees stated below.

**6.1. Entrance Fee.**

**6.1.1. Entrance Fee Amount.** You agree to pay the sum set forth in Addendum A (collectively, the “Entrance Fee”). The Entrance Fee includes a five percent processing fee (“Processing Fee”) which Processing Fee is refundable only when this Agreement is cancelled or terminated in accordance with Sections 9.1 and 9.2. Under all other circumstances, including termination for any reason or transfer to another apartment or level of care, the Processing Fee is retained by Sponsor.

**6.1.2. Deposit.** You have already paid Sponsor the Reservation Deposit stated in Addendum A as a deposit toward your Entrance Fee when you signed a Reservation Agreement. The deposit will be applied against the Entrance Fee. Also, if you paid a wait list deposit to place your name on the Community’s wait list, then that wait list deposit will be applied against the Entrance Fee.

**6.1.3. Balance of Entrance Fee.** The balance of your Entrance Fee, as set forth in Addendum A is due at Closing. You will sign this Agreement at Closing and Sponsor shall sign thereafter. The Florida statutory rescission period shall commence upon the signing of this Agreement by both parties, as further described in Section 9.1. As described in Sections 9 and 10, you may be entitled to a partial repayment of your

Entrance Fee upon termination of this Agreement. The Entrance Fee may not be increased or changed during the duration of this Agreement, except for changes required by state or federal assistance programs, or if you request a transfer to another apartment that has a different entrance fee than your Apartment.

**6.1.4. Escrow of Reservation Funds.** All funds received from you as part of your Reservation Agreement may be deposited in an escrow account or if requested by you, we will hold your check for your reservation and will not deposit the check in an escrow account during the Rescission Period.

**6.1.5. Payment of the Entrance Fee by a Third Party.** If someone other than the Resident is paying the Entrance Fee, that payor (i.e. the “Payor”) is identified in this Agreement and appears as a signatory to this Agreement.

**6.1.6. Entrance Fee Minimum Refund Percentage.** You have selected the Entrance Fee refund program that establishes zero percent (0%) as the refund percentage to be used when calculating any refund amount due to you under this Agreement. Any refund of the Entrance Fee which is due to you will be paid as described in Section 10.

**6.2 Monthly Fee and Fees for Optional Amenities.** You will pay a Monthly Fee for the amenities provided under Section 4.1 and fees for Optional Amenities requested by you and provided under Section 4.2. The current Monthly Fee for your Apartment is set forth in Addendum A. The Monthly Fee is the estimated monthly cost to Sponsor for providing the items and amenities required by this Agreement.

### **6.3 Health Center Fees**

**6.3.1 Resident or Residents Temporarily Assigned to the Community Health Center.** If you are temporarily assigned to the Community Health Center or if there are two of you and only one of you is temporarily assigned to the Community Health Center, we will provide nursing care in the health center without extra charge beyond your regular Monthly Fee. However, you will pay for the meals not covered by your Monthly Fee at the then current charge for extra meals and for other ancillary and physician services as provided in Sections 4.2, 6.3.7 and 6.3.9. In the event Resident (or both of you if there are two) requires permanent care in the health center, as determined by the Sponsor following a care meeting with the Community health care team and your attending physician (if you have one) , your monthly charges will depend upon whether you choose to release your apartment.

**6.3.2 One Resident Permanently Assigned and Second Resident Retains Apartment.** If there are two of you and one of you has been permanently assigned to the Community Health Center, the resident residing in the Apartment will continue to pay the first person Monthly Fee and the resident permanently assigned to the Community Health Center will be billed the Health Center Fee. The resident permanently assigned to the Community Health Center will also be obligated to

pay for other ancillary and physician services as provided in Sections 4.2, 6.3.7 and 6.3.9.

- 6.3.3** Resident or Residents Permanently Assigned and Apartment Released. Sponsor shall have the right to assign your apartment for residency by others when you (both of you if there are two of you) have been permanently assigned to the Community Health Center.
- 6.3.4** Health Center Fee Upon Permanent Assignment. If there is only one of you and you are permanently assigned to the Community Health Center and you have released your apartment for re-occupancy by someone else, your Monthly Fee will be changed to the then-current Health Center Fee. The Health Center Fee is based upon the monthly fees associated with a mix of apartment types located in the Community at the time you are admitted to the Community Health Center. At the time of execution of this Agreement, the current Health Center Fee is as listed on Addendum A. The Health Center Fee is subject to similar increases attributed to the Monthly Fee for residential apartments. The Health Center Fee existing at the time of your admission to the Community Health Center will be the amount you will pay for nursing care in the Health Center per month for the length of your continuous stay in the Health Center, subject to annual fee increases. The annual fee increases of the Health Center Fee shall be similar to the Monthly Fee increases assigned to residential living apartments. You will also be obligated to pay for other ancillary and physician services, items and products as provided in Sections 4.2, 6.3.7 and 6.3.9. If there are two of you and both of you are permanently assigned to the Community Health Center and you have released your apartment for re-occupancy by someone else, your Monthly Fee for your Apartment will cease. Community Health Center charges for semi-private nursing care for both of you will be double the amount of the Health Center Fee. You will each be obligated to pay for other ancillary and physician services, products and items as provided in Sections 4.2, 6.3.7 and 6.3.9.
- 6.3.5** Apartment Retained. If you choose to retain your Apartment after you (both of you if there are two) have been permanently assigned to the Community Health Center, you will continue to pay the Monthly Fees for your Apartment as provided herein, plus you will pay the non-resident per diem charge for nursing care provided in the Health Center (per diem charges for both of you if there are two) and charges for other ancillary and physician services, products and items as provided in Sections 4.2, 6.3.7 and 6.3.9. You may retain the Apartment until such time as this Agreement is terminated in accordance with Section 9 or Sponsor receives an accepted offer from a prospective resident or current resident for the Apartment. In the event of an accepted offer, Sponsor will provide thirty (30) days' notice for you to vacate the Apartment. Your obligations under this Agreement shall continue throughout the time the Apartment is retained by you.

- 6.3.6** Return to an Apartment. If you have released your Apartment because you have moved to the Community Health Center, but it is determined by your attending physician or the medical director, and Sponsor agrees with such determination that you can return to an apartment in the Community, and you choose to so return, Sponsor will provide you with an apartment of the same type as your apartment, as soon as one becomes available. Upon your re-occupancy of an apartment of the same type you vacated, you will pay the then-current monthly fee applicable to your new apartment. If you wish to return to an Apartment of a different type, the provisions of Section 8 will apply.
- 6.3.7** Ancillary Charges. Sponsor will provide special services and supplies in the health center, which may include physical therapy, occupational therapy, speech therapy, pharmacy, special duty nurses, nursing supplies, personal hygiene supplies, personal laundry and rental of equipment. These services and supplies are not included in the Health Center Fee as set forth above, but will be available for an extra charge.
- 6.3.8** Alternate Accommodation Charges. If you agree to relocate to an alternate health care facility with which we have agreements to provide nursing care, in accordance with Section 5.6, you will continue to pay all Monthly Charges, which include the Health Center Fee, payable by you to Sponsor under this Agreement, and you will be relocated to the Community Health Center as soon as a bed is available. To the extent Sponsor would be responsible for your care in the Community Health Center under this Agreement, Sponsor will be responsible for charges associated with the alternate health care facility. Sponsor cannot guarantee that private accommodations will be available at the alternate health care facility.
- 6.3.9** Conditions, Services, Products and Items Not Included in Health Center Fee or Not Provided By Sponsor. The following are examples of conditions, services, products and items that are not included in your Health Center Fee and are not part of Sponsor's obligations under this Agreement (such examples are by way of further explanation and shall not be considered an exhaustive list): services for psychiatric or psychological care, alcoholism, substance abuse, care for behavioral or emotional problems or disorders,(including violent or aggressive acts even if such acts are caused by a mental or physical condition if such condition cannot be corrected through medical intervention), mental illness, nervous disorders, care of Alzheimer's disease or other dementias that exceed the care routinely offered by Sponsor or that imposes an undue burden on the Community's staff, facilities, or other resources; emergency medical care or any condition requiring services that Sponsor is not licensed, staffed or equipped to provide, or does not routinely provide. You shall also be responsible for the cost of (1) all drugs, medications, prescriptions and vitamins, (2) personal and medical supplies, (3) special diets not otherwise covered in this Agreement, (4) podiatric services, (5) bone setting, (6) orthopedic appliances, (7) eye examinations and treatment, (8) eyeglasses, (9) corrective lenses, (10) dental services, (11) dentures, (12) x-rays, (13) audiology

services (including hearing aids), (14) oxygen, (15) ambulance or other transport fees, (16) dressings, (17) medical appliances, (18) wheel chairs, walkers, and scooters (19) special treatments not ordinarily provided by Sponsor, (20) hospital care and other acute care, (21) treatment of pre-existing conditions that were not disclosed to Sponsor prior to executing this Agreement, (22) cosmetic surgery or related cosmetic products or services, (23) experimental treatments, (24) services and supplies that the Sponsor, in its sole discretion determines is not medically necessary, (25) organ transplants, (26) medical techniques not approved by the American Medical Association and (27) the cost of any of your health insurance policies, whether optional or required.

In addition, Sponsor will not be responsible for paying for any assisted living or other care services or items not expressly covered in this Agreement, including but not limited to nursing, medical, surgical or hospital services, care by personal physicians, private duty nurses, Personal Service Providers or private care providers of any type and any services or items for which reimbursement is available from any governmental or private insurance. You are responsible to apply for and diligently pursue the payment of all such private and government benefits to which you may be entitled.

**6.4 Medicare and Supplemental Insurance.** As a condition of this Agreement, you are required to be enrolled in Medicare Parts A and B (or C, Medicare Advantage Plans), if you are eligible. If you are ineligible, then an equivalent insurance policy, acceptable to Sponsor, is required. In addition, you shall obtain supplemental ("Medigap") coverage for Medicare co-payments and deductibles in a form and with a carrier acceptable to Sponsor. If a commercial insurance plan is available that is acceptable to Sponsor, the commercial insurer may be used as a substitute for the required Medicare and supplemental insurance, provided that such insurance plan covers services provided to you at a rate that is acceptable to Sponsor. In the event the commercial insurance plan no longer covers such services, it will be your responsibility promptly to secure a replacement policy acceptable to Sponsor. It is your responsibility to obtain and maintain these insurance coverages at your own expense.

**6.4.1 Medicare Advantage Plans/Managed Care.** If you have chosen to participate in a Medicare Advantage Plan (managed care program) as an alternative to Medicare Part A, Medicare Part B, and supplemental insurance coverage, the terms governing care in the Health Center will be as follows:

**6.4.1.1 Participating Provider.** If we are a participating provider with your managed care program and your stay is a Medicare-qualified stay, we will agree to accept, as full payment, reimbursement at the rate we negotiate with your managed care program.

**6.4.1.2 Not a Participating Provider.** If we are not a participating provider with your managed care program and you choose to receive health care services at a

managed care participating provider during a Medicare-qualified stay, then you understand and agree that you must relocate for as long as necessary for those services, and be responsible for all charges for those health care services. In addition, while receiving health care services at the managed care participating provider, you understand and agree that unless this Agreement is canceled, you will continue to pay the Monthly Fee for your Apartment.

**6.4.1.3 Negotiated Managed Care Rate.** If we are not a participating provider in your managed care program and you would still like to receive health care services in the Health Center during a Medicare-qualified stay, we will attempt to negotiate an acceptable reimbursement rate with your managed care program. If we are able to negotiate an acceptable rate, we will agree to accept as full payment the rate provided by your managed care program.

**6.4.1.4 No Negotiated Managed Care Rate.** If we are not a participating provider in your managed care program and a negotiated rate is not agreed upon between your managed care program and us, and you would still desire to receive health care services in the Health Center during a Medicare-qualified stay, then you agree that your charges for health care services in the Health Center will be equal to the Health Center Fee if permanently assigned, or the Monthly Fee for your Apartment if temporarily assigned. If you choose to retain your Apartment, you will be charged in accordance with Section 6.3.5 and be subject to other provisions of this Agreement as set forth herein.

**6.4.2 Post Medicare - Qualified Stay.** At the conclusion of each such Medicare-qualified stay, you will be entitled to health care services in the Health Center in accordance with the terms of this Agreement.

**6.5 Responsibility for Fee.** If two of you are signing this Agreement, you (or your estate) shall be jointly and severally liable for all obligations, including, but not limited to fees, described in this Agreement.

**6.6 Payment Procedures.** You will pay a pro rata portion of the Monthly Fee on the Closing Date. Thereafter, you will be billed by Sponsor for the Monthly Fee and any other Monthly Charges you have incurred on the first day of every month. You will be obligated to make payment to Sponsor by the twenty-fifth (25<sup>th</sup>) day of the month for which the fee is due. Your continued residency at the Community is contingent upon your timely and full payment of all fees due under this Agreement, including, but not limited to, your Monthly Charges. Sponsor may, at its sole discretion, assess a late payment charge as described in Section 6.7.2, on all accounts not current by the twenty-fifth (25<sup>th</sup>) day of each month. The amounts and basis for imposing late payment charges and accrued interest on delinquent payments will appear on your monthly statement. If you fail to pay your monthly fee or other charges in full by the twenty-fifth (25<sup>th</sup>) day of each calendar month, Sponsor may take steps to terminate this Agreement in accordance with Section 9.6 of this Agreement.

## 6.7 Adjustments.

- 6.7.1 Fees.** Sponsor may, at its discretion, increase or decrease your Monthly Fee or Monthly Charges upon giving you sixty (60) days' advance written notice. Adjustments will be calculated based on Sponsor's projected costs, prior year per capita costs, economic indicators and other factors as determined by Sponsor in its sole discretion.
- 6.7.2 Late Payment.** Sponsor shall permit a thirty (30) day grace period after the twenty-fifth (25<sup>th</sup>) day of each month before the imposition of a late payment charge for failure to pay the Monthly Fee or any other Monthly Charges when due. The late payment charge will be waived if payment is delayed due to slow processing by Resident's supplemental insurance carrier. However, Sponsor does not waive its right to terminate this Contract for non-payment subject to Section 9.6.3 of this Agreement.
- 6.7.3 Cease Payment of Monthly Fee for Apartment.** The Monthly Fee for your Apartment will cease in accordance with Section 9 if you (or both of you if there are two of you) or we terminate this Agreement or if you die (or if there are two of you, the death of the survivor). In the event there are two of you who occupy the Apartment and only one of you terminates this Agreement or dies, the second person Monthly Fee will cease and the remaining person will continue to pay the first person Monthly Fee.
- 6.7.4 Upgrade Fees.** You may have paid for certain upgrades or alterations to your Apartment, as set forth either in Addendum A or a separate written agreement executed by you and Sponsor. These fees are not refundable.
- 6.7.5 Continuance of Monthly Fee.** The Monthly Fee for your Apartment will continue until your personal property is removed from the Apartment. If your personal property is not removed from the Apartment, then Sponsor may, in its sole discretion, remove and store such personal property for no longer than six months, at the expense and risk of Resident or Resident's estate. After such six month period, if Resident or Resident's estate no longer pays the storage fee, Sponsor will donate or dispose of all items within its sole discretion.

**6.8 Reserve Funds.** Sponsor has a policy of maintaining reserve funds as required by its financing agreements specifically dedicated to the support and financial security of the Community. In adjusting the Monthly Fee or Monthly Charges from time to time, Sponsor shall give due consideration to the objectives of this policy.

## 7. FINANCIAL ASSISTANCE

**7.1 Sponsor as Charitable Organization.** It is and shall be the declared policy of Sponsor to operate as a charitable organization. Sponsor shall not terminate this contract solely by

reason of the financial inability of resident to pay the full monthly fee, when resident establishes facts to justify deferment of such charges, and deferment of such charges can, in the sole discretion of Sponsor as described below, be granted. If, after you have paid the entrance fee, you encounter financial difficulties making it impossible for you to pay the full monthly charges, then this Section 7 will apply. Additionally, Florida statute Section 651.061(2) provides that Sponsor cannot cancel for financial reasons until the entire entrance fee, any Medicare benefits under Title XVIII of the Social Security Act and/or third party benefits are earned. For purposes of this Section 7, the unearned portion of the Entrance Fee shall be the difference between all amounts paid by the Resident (other than optional fees) and the costs of caring for the Resident based upon the per capita cost to the Community.

- 7.2. Notification to Sponsor, Application for Assistance and Provision of Financial Information.** If you suffer a material adverse change in your finances, you agree to notify Sponsor immediately. You also agree to apply for available local, state and federal assistance, including but not limited to Medicare, Medicaid (if Medicaid is accepted by your Community) and Supplemental Security Income, and to apply for such assistance as soon as you become eligible. You further agree to provide any financial statements and information Sponsor reasonably requests documenting your financial activity in previous years.
- 7.3. Sponsor Assistance.** If you are still unable to pay your Monthly Fees and other Monthly Charges after applying for and obtaining all available public assistance for which you are eligible, (which may include spending down your assets as required in order to become eligible for Medicaid, if your Community accepts Medicaid), you may seek assistance from Sponsor, based on your ability to pay. Sponsor may, in its sole discretion, provide you with assistance if: (a) you prove that you have exhausted all efforts to receive other assistance, as described above; (b) you demonstrate to Sponsor's satisfaction an inability to pay your usual fees and charges; (c) you have not divested your assets to qualify for assistance; (d) you have not otherwise transferred a material portion of your assets for less than their fair market value or otherwise unnecessarily depleted your assets such that, in the judgment of Sponsor, your ability to pay all fees due under this Agreement for the foreseeable future has been impaired; and (e) the deferral of such charges can, in the sole discretion of Sponsor, be granted without impairing Sponsor's ability to operate on a sound financial basis.
- 7.4. Impairment Due to Actions of Resident.** Sponsor shall have no obligation to give you any financial assistance if you have impaired your ability to meet your financial obligations by making gifts or other transfers.
- 7.5. Assistance as Additional Charge.** You agree that any deferral of your Monthly Charges, including your Monthly Fee under this Section 7, plus interest at the maximum legal rate, shall be an additional charge that you owe Sponsor, shall be a first lien against your estate, and shall be deducted from any refund or repayment that Sponsor may owe you.

**7.6. Execution of Documents to Secure Claim.** As part of any alternative payment arrangement, you will be required to execute any instruments (including promissory notes, assignments and deeds of trust) that Sponsor deems necessary to evidence or secure its claim for repayments of any sums due under this Section.

**7.7. Require Move to Smaller Apartment.** Sponsor may, at its sole discretion, require that you move to a smaller Apartment when a smaller apartment is or becomes available.

**7.8. Continued Requirements.** You will be required to give Sponsor information about your financial condition as a condition of receiving any financial assistance, and this requirement will continue as long as you receive such financial assistance and as requested by Sponsor.

**7.9. 90 Day Requirement as Per Florida Law.** Should the entrance fees be exhausted within 90 days of the date of failure to pay, the Sponsor may not require the resident to leave before 90 days from the date of failure to pay, during which time the resident shall continue to pay the Sponsor a reduced fee based on her or his current income.

## **8. TRANSFERS FROM APARTMENT FOR NON-HEALTH REASONS.**

**8.1. General Provisions Concerning Transfers for Non-Health Reasons.** You may request a transfer for non-health reasons to another apartment within the Community upon Sponsor's approval, which will not be unreasonably withheld, and subject to availability. When you move, you will execute Sponsor's form amendment to this Agreement or Sponsor's then-current form of residency agreement for the Community, at Sponsor's sole discretion. The entrance fee pricing for the new apartment you select will be calculated using the same minimum refund percentage that was stated in your existing residency agreement. At the time you transfer, you must pay a transfer fee to be established by Provider from time to time to cover Provider's costs related to the transfer.

**8.2. Substitution of Apartment.** Sponsor reserves the right to substitute your Apartment with another comparable apartment if it is necessary to do so to meet any requirement of law or the lawful order or direction of the Fire Marshall or another authorized public official, or for any other reasonable purpose as determined by Sponsor. Sponsor also reserves the right to substitute your Apartment with a smaller apartment as part of the provision of financial assistance in accordance with Section 7.

**8.3. Voluntary Transfer of Single Resident.** If you wish, you may move to another apartment at the Community, subject to availability and written approval by Sponsor. You will not be charged an additional Entrance Fee for the new apartment unless the Entrance Fee for the new apartment is greater than the Entrance Fee for an apartment comparable to your Apartment at the time of transfer, in which case you will pay the difference. This Agreement shall remain in effect, and repayment of your Entrance Fee, including any additional Entrance Fee you paid when you moved to the new apartment, will be made in

accordance with this Agreement, and such refund amount shall be calculated and amortized based upon the date of the original Residency Agreement, shall include the entrance fee amount for the new apartment and shall be paid in accordance with the terms of this Agreement. If the Entrance Fee for the current residence has been fully amortized at the time of transfer, the fee assessed in connection with the transfer to the New Residence shall be amortized immediately in full. If you have paid a fee for any approved alteration, addition, or modification to your Apartment, you will not be entitled to a refund of such payments when you move to the new apartment. In addition, if you request and Sponsor approves any alteration, addition, or modification to the new apartment, you will be responsible for paying for such alteration, addition, or modification, except such repairs as Sponsor may determine to make for reasonable wear and tear at Sponsor's cost. You will pay the Monthly Fee for your new apartment. In addition, you shall sign an amendment to this Agreement that states that you have elected to live in a different apartment and identifies the apartment and the Entrance Fee and Monthly Fee for that apartment. You shall be responsible for your own moving and refurbishing costs, except as otherwise stated in this Section 8.3.

**8.4. Joint Occupancy by Residents.** If you and another resident (under the same repayment program as this Agreement), residing in two separate Apartments, decide to live together, you may release either of your Apartments and live in the other Apartment, or you may release both of your Apartments and move into a new apartment subject to availability. There will be no additional Entrance Fee charge if you move in with another resident. The Residency and Care Agreement applicable to each of you prior to the move shall remain in effect unless otherwise agreed to by you and Sponsor. If both of you move to a new apartment, you will not be charged an additional Entrance Fee for the new apartment unless the Entrance Fee for the new apartment is greater than the sum of the Entrance Fees for apartments comparable to your Apartments at the time of transfer, in which case you will pay the difference. Repayment of your Entrance Fee, including any additional Entrance Fee you paid when you moved to the new apartment, will be made in accordance with this Agreement, and such refund amount shall be calculated and amortized based upon the date of the original Residency Agreement (for each of you if you each have separate residency agreements), shall include the entrance fee amount for the new apartment and shall be paid in accordance with the terms of this Agreement. If the Entrance Fee(s) for the current residence has been fully amortized at the time of transfer, the fee assessed in connection with the transfer to the new apartment shall be amortized immediately in full. If you have paid a fee for any approved alteration, addition, or modification to your Apartment, you will not be entitled to a refund of such payments when you move to another apartment. In addition, you will be responsible for paying for any approved alteration, addition, or modification to the apartment to which you transfer except such repairs as Sponsor may determine to make for reasonable wear and tear at Sponsor's cost. Whether you move in with another resident or both of you move to a new apartment, you and your joint occupant will pay the Monthly Fee for double occupancy of your new apartment. In addition, both of you shall sign an amendment to each of your Agreements that states that one or both of you have elected to live in a different apartment, and that identifies the apartment and the Entrance Fee and Monthly Fee for that apartment.

You shall be responsible for your own moving and refurbishing costs, except as otherwise stated in this Section 8.4.

If you wish to reside with another resident who has entered into a Residency and Care Agreement that contains a different program from this Agreement, Sponsor shall, in its sole discretion, determine the terms and conditions, including any credit due and payment of an additional Entrance Fee, for the release of your Apartment and your occupancy of the new apartment.

**8.5. Joint Occupancy by Resident and Second Person.** If you wish to live with a second person (including someone who becomes your spouse after this Agreement has been signed by all parties) in your Apartment, the second person must follow the standard application procedures for admission to the Community, including financial and health admission requirements and payment of the Entrance Fee and Processing Fee. If the second person does not qualify under the financial admission requirements then in effect, the financial requirements may be met through a guarantor and the execution of Sponsor's Guarantor Agreement. If the second person does not meet the health admission requirements, the second person must execute a Limited Health Care Agreement. If the second person's application is approved, you shall both sign an amendment to this Agreement and the second person shall pay the then-current second person Entrance Fee. If the second person's application is rejected, the fees collected for the second person shall be refunded. The Resident's and second person's right to terminate this Agreement and entitlement to and amounts of any refund shall be subject to the terms and conditions of this Agreement.

**8.6. Voluntary Transfer of One Joint Resident.** If you jointly occupy your Apartment, and you wish to live apart for any reason (including, but not limited to, divorce or separation), either of you may transfer from your Apartment to a different apartment. The transferring resident shall then pay the Entrance Fee and Monthly Fee for single occupancy of his or her new apartment. If both residents transfer to separate apartments, each will receive a credit of one-half of the original Entrance Fee to be applied toward the then-current Entrance Fee of each new apartment, regardless of whether your Apartment is reoccupied by a new resident. You will be entitled to a repayment of one-half of the original Entrance Fee paid for your Apartment and the balance of the Entrance Fee paid for your new apartment after the new apartment to which you transferred is reoccupied following: (a) your termination of this Agreement or (b) your permanent move to the Community Health Center. If one of you wishes to terminate your Agreement instead of moving to a new apartment, the resident leaving the Community will not receive any repayment of the original Entrance Fee. If both of you wish to terminate your Agreement instead of remaining at the Community, you will be entitled to a repayment in accordance with Sections 10.4 and 10.5. If you have paid a fee for any approved alteration, addition or modification to your Apartment, you will not receive a refund of such payments when you move to another apartment. In addition, if you move to another apartment at the Community, you must pay for any approved alteration, addition, or modification to that Apartment, except such repairs as Sponsor may determine to make for reasonable wear

and tear at Sponsor's cost. You shall be responsible for your own moving and refurbishing costs, except as otherwise stated in this Section 8.6.

## **9. TERMINATION OF AGREEMENT**

**9.1. Your Rescission Rights Pursuant to Florida Law.** Pursuant to Florida law, you have the right to rescind this Agreement during a seven (7) day rescission period which commences upon the signing of the Agreement by both parties. The applicable provision of Florida law provides that "[a] resident has the right to rescind a continuing care contract and receive a full refund of any funds paid, without penalty or forfeiture, within 7 days after executing a contract." (the "Rescission Period") The Rescission Period begins on the day this Agreement is executed by Sponsor's authorized representative, following your execution of this Agreement. If you elect to rescind this Agreement, you must do so by written notice in accordance with Section 9.7. You will not be required to move into the Community until after the expiration of the Rescission Period. If you rescind this Agreement pursuant to this statutory right, all funds you have paid will be refunded to you in accordance with Section 10.1.

**9.2. Voluntary Termination By Resident.** The Resident may terminate this Agreement for any reason after the expiration of the Rescission Period and as further described below.

**9.2.1. Prior to Occupancy.** You may terminate this Agreement for any reason at any time after the Rescission Period but prior to Occupancy by giving Sponsor written notice as set forth in Section 9.7. If you give such notice prior to Occupancy, the termination will be effective and payment of refund will be made in accordance with Sections 10.2 or 10.3, as applicable.

**9.2.2. After Occupancy.** Your right to terminate this Agreement continues after Occupancy. You must provide notice to Sponsor in accordance with Section 9.7 and such notice must be received by Sponsor at least thirty (30) days prior to the date of termination. Your rights to any refund and the timing of same are set forth in Sections 10.4 and 10.5

**9.2.2.1. The Effective Date of Your Notice & the Agreement Termination Date.** If you, in contradiction of the 30-day notice requirement, state a termination date in your notice that is less than 30 days after Sponsor receives your notice, then the "effective date" of your notice will be the date Sponsor receives your notice and the Agreement termination date will be 30 days after Sponsor receives your notice (regardless of the termination date stated in your notice). If you state a termination date in your notice that is exactly 30 days after Sponsor receives your notice, then the "effective date" of your notice will be the date that the Sponsor receives your notice and the Agreement termination date will be 30

days after Sponsor receives your notice. If you state a termination date in your notice that is more than 30 days after Sponsor receives your notice, then the "effective date" of your notice will be 30 days before the termination date stated in your notice and the Agreement termination date will be the termination date stated in your notice. Your notice of termination is irrevocable upon receipt.

**9.2.2.2. Your Continuing Monthly Fee Obligation.** You will continue to owe your Monthly Fee until the later of (i) the date of the termination of this Agreement, or (ii) the date you vacate your apartment.

**9.3. Termination Upon the Death, Illness, Injury or Incapacity of Resident After Rescission Period But Prior to Occupancy.** Except for a Resident who postpones moving into the Community but is deemed to have occupied the Apartment as defined in this Agreement and Florida law, if the Resident dies before occupying the Apartment, or, through illness, injury, or incapacity, is precluded from becoming a Resident under this Agreement, this Agreement is automatically cancelled and all monies paid shall be refunded in accordance with Section 10.2.

**9.4. Termination Upon the Death of a Resident After Occupancy.**

**9.4.1.** This Agreement shall automatically terminate upon the death of a Resident and when Apartment has been vacated. If this Agreement covers two Residents, the termination shall apply only to the decedent and shall be effective immediately upon the death of the decedent.

**9.4.2.** If this Agreement is terminated pursuant to this Section, your Entrance Fee refund will be calculated and refund received in accordance with the provisions of Sections 10.4 and 10.5.

**9.5 Termination by Payor.** This Agreement may be terminated by the Payor, as defined in this Agreement and identified on the signature page of this Agreement, in the same manner and under the same conditions as those applicable to a resident, in which event the reimbursement provided for herein shall be made to such person notwithstanding any other provision of this Agreement.

## **9.6 Termination By Sponsor**

**9.6.1 Termination Prior to End of Rescission Period.** Sponsor may terminate this Agreement prior to the end of the Rescission Period by providing written notice to Resident. The payment of the funds paid by Resident shall be in accordance with Section 10.1.

**9.6.2 Termination After Rescission Period but Prior to Occupancy for Reasons Other than Those Listed in Section 9.3.** Sponsor may terminate this Agreement at any time after the Rescission Period but prior to Occupancy upon notice as required by Section 9.7 to Resident for any reason other than Resident's death, illness injury or physical or mental incapacity. Sponsor will pay a portion of the funds paid by Resident as set forth in Section 10.3.

**9.6.3 Termination After Occupancy.** Sponsor will not terminate this Agreement after Occupancy unless it has "just cause" to do so. Decertification of the Community under Florida Statutes, is not considered "just cause" to terminate this Agreement. Just cause to terminate this Agreement shall include, but not be limited to, the following circumstances:

**9.6.3.1** you fail or refuse to comply with the rules and regulations of the Community or Sponsor;

**9.6.3.2** you refuse to be transferred to the Health Center or to an outside facility;

**9.6.3.3** you materially breach this Agreement, or made a material misrepresentation in your application to the Community or by executing this Agreement;

**9.6.3.4** you willfully divest, transfer for less than fair market value, or mismanage a material portion of your assets that are needed for your payment of your monthly fee and other charges due hereunder;

**9.6.3.5** you fail to pay your monthly fee or any other charges that are due and Sponsor determines that that the requirements of Section 7 are inapplicable or have not been met;

**9.6.3.6** your continued residence at the Community interferes with the peaceful lodging of other residents or the administration of the Community by Sponsor;

**9.6.3.7** you are permanently transferred outside the Community or vacate your Apartment;

**9.6.3.8** your continued residency at the Community poses a danger to Community property or the health, safety or property of yourself, other residents or staff

**9.6.3.9** the Community is damaged or destroyed by casualty, either in its entirety or to such an extent as to render the Community incapable of providing services required under this Agreement; or

**9.6.3.10** there is a condemnation, appropriation or similar taking of the Community to such an extent as to render the Community incapable of providing services required under this Agreement.

**9.6.4** Written Notice and Effect of Termination by Sponsor. Before Sponsor terminates this Agreement under subsections 9.6.3.1 through 9.6.3.7, Sponsor will give you thirty (30) days written notice stating the cause for the proposed termination, and, during that thirty (30) day period, you may cure the basis for termination. If Sponsor is terminating this Agreement pursuant to subsections 9.6.3.9 or 9.6.3.10, you will not have a right to cure the default during the 30 day notice period because the issues stated in such sub-subsection are, by their nature, not curable. Further, because subsection 9.6.3.8 involves a threat of danger to you or others, if Sponsor terminates this Agreement under subsection 9.6.3.8, Sponsor will give you such notice as is reasonable under the circumstances; you may not have a right to cure this breach and the notice period may be less than 30 days.

**9.6.5** You Must Vacate Your Apartment On or Before the Termination Date. Upon the termination of this Agreement pursuant to Section 9.6.3, your Entrance Fee refund will be calculated in accordance with the provisions of Section 10.4 and paid in accordance with Section 10.5.2.

**9.7** **Notice of Rescission or Termination by Any Party.** Any notice required by this Section 9 must be in writing, signed by the rescinding or terminating parties and sent to the other party as follows:

**As to Sponsor/Community:** the address set forth in this Agreement, attention of Sales and Marketing Director

**As to Resident:** the address set forth in Addendum A.

Notice must be sent by a reputable commercial courier service with signature required upon receipt (such as UPS, FedEx or certified U.S. Mail). Notice may be hand delivered as long as a receipt of delivery is signed by the receiving party(ies).

## **10. REFUND OF ENTRANCE FEE & OTHER EFFECTS OF TERMINATION**

### **10.1 Refund in the Event of Termination by Sponsor or Rescission by Resident**

**During Rescission Period.** If either Sponsor or Resident terminates this Agreement prior to the end of the Rescission Period, all funds paid by the resident and held by an escrow agent will be refunded to you, without interest. You may also have asked us to hold your check, rather than depositing it in an escrow account. If you chose this option of “deposit”, and terminate this Agreement prior to the end of the Rescission Period, your check will be returned to you, without interest.

### **10.2 Refund After the Rescission Period But Prior to Occupancy Due to Death,**

**Illness, Injury or Incapacity of Resident.** If the Agreement is terminated after the Rescission Period but prior to Occupancy due to the death of Resident, or through illness, injury, or incapacity the Resident is precluded from becoming a resident under the terms of this Agreement, this Agreement is terminated as set forth in Section 9.3, and the Resident or the Resident’s estate or legal representative shall receive a full refund of all monies paid to the Sponsor, except those costs specifically incurred by Sponsor at the request of Resident and set forth in writing in a separate addendum to this Agreement, signed by Sponsor and Resident.

### **10.3 Refund in the Event of Termination After Rescission Period and Prior to Occupancy for Reasons Other Than Death, Illness, Injury or Incapacity of Resident.**

After the Rescission Period and Prior to Occupancy, should Resident or Sponsor terminate this Contract for reasons other than those set forth in Section 9.3, notice shall be provided to the affected party in accordance with Section 9.7. Within thirty (30) days of receipt of such notice, Sponsor will refund to Resident the portion of the Entrance Fee paid, without interest, less a processing fee equal to five percent (5%) of the total Entrance Fee, and those costs specifically incurred by Sponsor at the request of Resident and set forth in writing in a separate addendum to this Agreement, signed by Sponsor and Resident. In no event shall such processing fee exceed the amount paid by Resident.

### **10.4 Refund in the Event of Termination After Occupancy.**

In the event Resident or Sponsor terminates this Agreement after Occupancy for any reason, including death of the Resident (or the death of the surviving Resident if there are two), we will refund a declining portion of your Entrance Fee based on the period of your Occupancy at the Community as set forth below:

**10.4.1 Processing Fee.** Your Entrance Fee refund will be reduced by five percent (5%) upon the date you assume Occupancy at the Community, which amount will be retained by us as a processing fee in accordance with Florida Statute 651.055(h)(2);

**10.4.2 Amortization of Entrance Fee and Return.** Your Entrance Fee refund (and the Entrance Fee refund for the second person [if applicable] which

amortization period commences upon occupancy of the Apartment) will be further reduced by two percent (2%) of your Entrance Fee per full month of Occupancy, and a pro rata portion of such two percent (2%) for any partial month of Occupancy.

**10.4.3 Other Amounts Retained.** In addition to the portion of the Entrance Fee not reimbursed, Sponsor will retain a sum equal to:

**10.4.3.1** The amount of any Monthly Charges deferred by Sponsor on behalf of Resident under Section 7 hereof; and

**10.4.3.2** All health care expenses incurred on Resident's behalf and other amounts payable to Sponsor, which remain unreimbursed.

**10.5 Timing of Refund Payment in the Event of Termination After Occupancy.** In the event of termination after occupancy, payment of the refund as calculated in Section 10.4 will be paid, without interest as follows:

10.5.1. If this Agreement is terminated by the Resident, the refund shall be paid no later than ninety (90) days after (a) notice of termination is delivered by you or notice of death is delivered to Sponsor; and (b) your Apartment has been Vacated.

10.5.2. If this Agreement is terminated by Sponsor in accordance with Section 9.6.3, you will receive your Entrance Fee refund upon Vacating your Apartment, provided that Sponsor may retain an amount to cover your anticipated obligations. Any funds retained but not used to pay for your obligations will be returned to you within forty-five (45) days after your Apartment has been Vacated.

**10.6 Non-reimbursable Amounts.** All amounts not reimbursed to Resident under this Section 10 are nonrefundable, and shall be used by the Community solely to fund its reserves, its replacement and improvement needs, and its debt service, which the Community would be responsible to fully fund, and in the event that reserves are fully funded, debt service coverage is achieved and capital equipment and improvements are met, the excess funds shall be used by Sponsor within its sole discretion.

**10.7 General Provisions for Refunds to Couples.** Except as otherwise provided for in this Agreement, the following provisions of this Section 10.7 apply to couples. If the Agreement covers two Residents and terminates as to both Residents at the same time, then any refund due will be allocated one half (1/2) to each of you, unless the Residents have otherwise agreed in writing and have delivered a copy of such written agreement to Sponsor. If this Agreement covers two Residents and terminates as to only one Resident, then this Agreement shall continue in full force as to the remaining Resident, and the monthly fee will be adjusted to the amount then charged to a single resident for an apartment of the same type. No refund of the Entrance Fee will be calculated or due until this Agreement is terminated with respect to the remaining Resident. When this Agreement terminates as to the remaining Resident, the refund

provision set forth in Section 10 that is applicable to the reason for the second Resident's termination shall govern. Any refund will be paid one hundred percent (100%) to the remaining Resident (or his/her estate) at that time unless the Residents have otherwise agreed in writing and delivered a copy of such written agreement to Sponsor.

**10.8 Non-Refundability of Payments for Alterations.** Amounts you paid for any alteration to your Apartment are non-refundable.

**10.9 Making Refunds Payable to Third Parties.** Sponsor will pay any Entrance Fee refund to the Resident or his/her estate if Resident has died. If you do not wish to have your Entrance Fee refund made to your estate, you may choose to assign your repayment of the Entrance Fee refund to a trust(s) or other person designated by you pursuant to Assignment of Rights to Repayments forms approved by Sponsor. No other rights under the Residency Agreement are assignable. If a third-party Payor is identified on the signature page of this Agreement as paying the Entrance Fee, then any Entrance Fee refund will be payable directly to the Payor (rather than the Resident or his/her estate), unless the Payor provides written instructions to Sponsor otherwise

**10.10 Continued Payment of Monthly Charges.** You shall be responsible for continuing to pay your Monthly Charges, together with such amounts as will cover other expenses incurred by you, through the effective cancellation or termination date of this Agreement or the date you Vacate your Apartment, whichever is later.

## **11. RESIDENT AFFAIRS AND EFFECTS**

**11.1 Resident's Personal Obligations.** Sponsor will not be responsible for any expenses, debts or obligations incurred by you or on your account either at the Community or elsewhere. Sponsor is likewise not responsible for giving you support, maintenance, care, board, or lodging when you are absent from the Community, except as further described and limited by Sections 2.1.6, 2.1.10 and 5.6.

**11.2 Durable Power of Attorney, POLST and Advance Directives.** Resident is encouraged to execute a Durable Power of Attorney form or agreement, appointing an individual to represent the resident in the event the resident becomes incapable of handling his/her own affairs. Resident is also encouraged to complete a Florida POLST form (Physician Orders for Life Sustaining Treatment) and Advance Directives, copies of which forms can be obtained from the Community.

**11.3 Application for Guardianship.** In the event you become unable to handle your personal or financial affairs and do not have a duly authorized representative, as an example, an executed Durable Power of Attorney form or agreement, you authorize Sponsor to apply to a court of competent jurisdiction for the appointment of a guardian of your person and estate. All fees and costs incurred by Sponsor in connection with the appointment shall be paid by you as a Monthly Charge or your Estate.

**11.4 Relocation of Personal Property; Restoration of Apartment.** If you transfer or give up your Apartment for any reason, you agree to vacate your apartment (as that phrase is described in Section 8). All expenses (including those incurred by Sponsor) incurred to make your Apartment available for occupancy shall be billed to you as part of the Monthly Charge. Upon move-out, Sponsor shall have the right to remove and dispose of or store your property as it may determine within its sole discretion, at your expense and at no liability to Sponsor.

## **12. RESPECTIVE RIGHTS OF RESIDENT AND SPONSOR**

**12.1 Agreements With Other Residents.** Sponsor may enter into continuing care residency agreements, service contracts, or other agreements with other people and entities that contain terms different from those contained in this Agreement. Despite any such differences, this Agreement sets forth your rights and obligations with respect to Sponsor and the Community.

**12.2 Policies of the Community and Resident Handbook.** Sponsor may adopt Policies of the Community to preserve the health, safety and peaceful enjoyment of the Community by all residents; to repair and maintain the building(s) and grounds in a pleasant, clean, and orderly condition; to administer services at the Community; and for all other reasonable and lawful purposes. Some of these policies and rules will be set forth in the Resident Handbook, others shall be made available in a central location of the Community. You acknowledge receipt of a copy of the Resident Handbook, which is incorporated in the Disclosure Statement, attached hereto as Appendix A. Sponsor reserves the right to amend its Policies of the Community and the Resident Handbook from time to time, and you agree to abide by such policies, as adopted and amended.

**12.3 No Lease of Apartment or Assignment of This Agreement.** Your rights and privileges to use and enjoy your Apartment and the other offerings, items and amenities at the Community and to receive care and services under this Agreement are personal, and they may not be transferred or assigned by you, by any proceeding at law, or otherwise. In addition, you may not lease your Apartment, parking space or any other physical space or location to any person or entity.

**12.4 Resident Council.** Residents of the Community have a right of self-organization under Florida law. Residents are encouraged to form a resident association. The

resident council may, among other things, make recommendations to management regarding issues of concern to residents. However, the role of the resident council is advisory only, without any right to manage or dictate policy (including establishing budgeting and staffing guidelines) at the Community.

**12.5 Resident's Rights.** Residents of the Community have a right of self-organization, the right to be represented by an individual of their own choosing, and the right to engage in concerted activities for the purpose of keeping informed on the operations of the Community, pursuant to Chapter 651.081 Florida Statutes and other applicable provisions of Florida law. Residents shall also have the right to join in group activities, to use Community amenities for group meetings and to obtain current copies of disclosure statements, audits and inspections of the Community. Sponsor's representative will meet with residents quarterly in a general assembly to discuss the financial status, services and Policies of the Community. Your rights under this Agreement are limited to those rights expressly granted herein and within Chapter 651 Florida Statutes and do not include any proprietary interest in the Community, any managerial or other interest in the Sponsor, or any third-party contractor, or any interest in any payments made under this Agreement. See Appendix A for a description of residents' rights provided by the Florida statutes as set forth in the Disclosure Statement.

### **13. MISCELLANEOUS**

**13.1 Your Liability Claims Against Third Parties.** If you are injured as the result of any act or omission of a third party, you hereby grant Sponsor a first lien against any judgment, settlement or recovery for any expense that Sponsor incurs in caring for you as the result of such injury. You shall cooperate in the pursuit of any claim or action against the third party.

**13.2 Your Personal Property and Liability Insurance Responsibilities.** You assume all risk related to your personal property at the Community, including but not limited to personal property placed in Community storage units. You shall be responsible for maintaining, and agree to maintain, insurance covering the full replacement value of your personal property at the Community, with a reputable insurance carrier. You shall also be responsible for obtaining, and agree to obtain, liability insurance for bodily injury or property damage caused by you, your automobile, any equipment, including Motorized Assistive Devices or your Personal Service Providers, guests, licensees, invitees or employees. Sponsor will not be responsible for the loss of any property belonging to you due to your own or other's negligence or carelessness, theft, fire, water damage, or any other cause unless such actions or inactions are caused by Sponsor or Sponsor's agents or contractors.

**13.3 Interruption in Services.** An interruption in services or failure to maintain services under this Agreement shall not constitute a breach of this Agreement, if it is

caused by factors beyond the reasonable control of Sponsor, including, but not limited to, strikes, lockouts or other labor disturbances, government orders, acts of terror, embargoes, shortages of labor or materials, inclement weather, fire, flood, hurricane, earthquake or other casualties, power outages, or the conduct of residents. In the event of an interruption in services, Sponsor shall use reasonable efforts to restore the services or to provide substitutes.

**13.4 Your Liability for Injury or Damage.** You agree to indemnify, defend and hold Sponsor and its affiliates, and the respective directors, officers, agents and employees of those entities, harmless from all costs and liability for injury or damage caused by your acts or omissions and those of your Personal Service Providers, guests, licensees, employees and invitees, including attorneys' fees and costs.

**13.5 Motorized Assistive Devices.** You may use motorized assistive devices (such as motorized wheelchairs, carts and scooters) approved by Sponsor for your personal transportation at the Community, provided you adhere to Sponsor's motorized assistive device policies that are, from time to time, in effect and maintain appropriate insurance coverage in the event you cause injury or harm to Sponsor or others, or to Sponsor's or others' property.

**13.6 Pets.** Pets are allowed subject to the Community's pet policy. A copy of the Community's pet policy is included in the Resident Handbook which is part of the Disclosure Statement. If at any time during this Agreement you have a pet on campus, your signature to this Agreement indicates your agreement to abide by Community's pet policy

**13.7 Tax Matters.** Congress has passed legislation concerning certain tax matters relative to continuing care retirement communities. Sponsor does not undertake to provide any tax advice or opinion to you. Sponsor makes no representations and renders no advice as to the tax issues relative to this Agreement or any payments you may make as a result of this Agreement. The Internal Revenue Code and Regulations may be amended from time to time and Sponsor will not monitor or provide notices to you of any such amendments. You are urged to seek independent tax advice concerning any tax consequences associated with this Agreement.

**13.8 Review of Disclosure Statement.** You certify that you have received a copy of the Community's disclosure statement required by Section 651.091(3) of the Florida Statutes. Sponsor will make available to you, at all reasonable business hours and upon reasonable notice, its current disclosure statement for the Community.

**13.9 Notices.** All notices required or permitted under this Agreement, except as specified in Section 9.7, shall be delivered to:

To the Community at the address which appears on the first page of this Agreement, attention to the Executive Director with a copy to:

Lifespace Communities, Inc.  
100 E. Grand Ave., Ste. 200

Des Moines, IA 50309  
Attention: General Counsel

Any notice sent to you shall be sent to your Apartment (or, if appropriate, to your representative as indicated by a Durable Power of Attorney agreement or similar forms or court documents) at the address furnished by you to Sponsor). All such notices shall be effective when personally delivered or received.

**13.10 Entire Agreement.** This Agreement, including all attached Addenda, Appendices and documents incorporated by reference, constitutes the entire agreement between you and Sponsor and may not be amended unless executed in writing by Sponsor and you.

**13.11 Continuing Obligations.** All of Sponsor's and your obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement and until such obligations are satisfied in full or by their nature expire.

**13.12 Severability.** If a court deems any term of this Agreement invalid, the remainder of this Agreement shall remain in full force and effect.

**13.13 Waiver of One Breach Not a Waiver of Any Other.** Sponsor's failure on any occasion to insist upon your strict compliance with any term of this Agreement shall not be deemed a waiver of its right to insist upon your strict compliance with all terms of this Agreement on any other occasion.

**13.14 Sponsor's Right to Contract.** Sponsor reserves the right to contract services, enter into lease arrangements and management contracts, and delegate certain of its responsibilities under this Agreement, which may be with affiliates of Sponsor (collectively, the "Arrangements"). Notwithstanding Sponsor's right to enter into such Arrangements and residency agreements, and except as set forth in the following Section, Sponsor shall retain the ultimate responsibility to carry out the provisions of this Agreement for you and for the benefit of the Community.

**13.15 Assignment by Sponsor.** This Agreement shall be assignable by Sponsor in the event it transfers its interest in the Community. Sponsor shall be released from its obligations under this Agreement from and after the effective date of such assignment.

**13.16 Counterparts and Signature.** This Agreement may be executed in counterparts and executed by electronic means.

**13.17 Subordination.** The lien and rights of any lender may be senior and have priority over your rights under this Agreement, but the loan documents will contain provisions assuring that your rights to occupy your Apartment in accordance with this Agreement will not be disturbed.

**13.18 Temporary Evacuation Due To Natural Disaster.** If Sponsor is required to evacuate residents because of a threat or occurrence of a natural disaster (such as a hurricane), Sponsor will reimburse you for your reasonable out-of-pocket costs for your transportation and/or lodging only if Sponsor is reimbursed by its insurance carrier for such amounts. Sponsor may set a maximum daily reimbursable amount. Also, if Sponsor receives reimbursement from its insurance carrier of some portion of residents' submitted out-of-pocket expenses, Sponsor will allocate the insurance proceeds among affected residents in its discretion.

**13.19 Use of Your Apartment in an Emergency.** You acknowledge and agree that after Sponsor's attempt to seek your prior approval and in the event of an emergency or other circumstance requiring immediate attention, your Apartment and the common areas may be utilized in a temporary manner to house other residents, Sponsor's employees, officials or other persons. Any damage caused to your Apartment by such temporary usage will be repaired (or items replaced) at no cost to you.

**13.20 Use and Disclosure of Personal Information; Authorization to Discuss Health Information.** By signing this Agreement, you consent to Sponsor's use and disclosure of your individually identifiable information, including, but not limited to, your protected health information, as necessary, in Sponsor's reasonable discretion and in its capacity as a covered entity, for purposes relating to treatment, payment, or health care operations, as those terms are defined in the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"). You also specifically consent to the uses and disclosures of protected health information specified in Sponsor's Notice of Privacy Practices, as it may be amended from time to time. You authorize Sponsor to discuss your personal health information with your physicians, family members and other caregivers as designated by you or as we reasonable believe to be authorized to receive or provide health information.

**13.21 Resident's Representations.** By executing this Agreement, you represent and warrant that: (i) you meet all the criteria for residency at the Community and will perform of all your obligations under this Agreement; (ii) you have assets and income sufficient under foreseeable circumstances to meet your ordinary and customary living expenses incurred after you assume occupancy at the Community as required by Community; and (iii) all representations made by you or on your behalf, whether written or verbal, with respect to your admission to the Community, were true when made.

**13.22 Changed Circumstances.** If your circumstances (health, financial, or personal status) materially change prior to Closing, you must notify Sponsor of those changed circumstances prior to occupying your Apartment. In such event, Sponsor will determine in its discretion whether: (a) your changed circumstances prevent you from being qualified to enter the Community; and (b) to terminate this Agreement. If such changed circumstances are health related, Sponsor will not terminate this Agreement if Closing has occurred, however you may be relocated to the appropriate care setting within the

Community (or at an outside facility if space is not available at the Community Health Center) in accordance with this Agreement.

**13.23 Misrepresentation or Omission.** You understand and agree that any material misrepresentation or omission made by you or on your behalf in connection with this Agreement or the application for residency, including personal data forms and statements of financial condition and health history submitted by you or on your behalf to Sponsor, shall make this Agreement voidable at Sponsor's sole option. Your application for admission and all related documents are incorporated by reference into this Agreement and made an express part of it.

**13.24 Confirmation of Receipt of a Copy of the Residency Agreement.** By executing this Agreement, you confirm that each party to this Agreement received a copy of the continuing care residency contract (Residency and Care Agreement) and the Disclosure Statement before you transferred any money or other property to Sponsor.

**13.25 Confirmation of Receipt of a Copy of the Entrance Fee Receipt.** By executing this Agreement, you confirm that you received a copy of the receipt of Entrance Fees paid by you (or the Payor) at the time such fees were transferred to the Sponsor.

**13.26 Dispute Resolution Procedures.** The following procedures shall apply to the resolution of all disputes, claims or controversies of any kind between you and us arising out of, in connection with, or relating to this Agreement and any amendment hereof, or the breach hereof, or services provided hereunder.

**13.26.1 Negotiations.** You and we agree to attempt to resolve all such disputes, claims or controversies by consulting and negotiating with each other in good faith in an effort to reach a just, equitable and mutually satisfactory resolution. If such a resolution is not reached within thirty (30) days after such efforts commence, then, upon notice by either party to the other, all such disputes, claims or controversies may be submitted to mediation in accordance with Section 13.26.2 below.

**13.26.2 Mediation.** If a resolution of any such dispute, claim or controversy, except for disputes relating to increases in monthly maintenance fees, is not achieved by negotiations conducted in accordance with Section 13.26.1 above, then the resident may submit the dispute, claim or controversy to nonbinding mediation by submitting a written request for mediation to the Florida Office of Insurance Regulation. The Florida approved mediator for any nonbinding mediation hereunder shall be selected from the JAMS mediation services. A copy of the request for mediation will be provided simultaneously by the requesting party to the other party. The disposition of the mediation will be managed by the local service office of the Florida Department of Financial Services, Bureau of Outreach and Education, Division of Insurance Consumer

Services and shall be held in accordance with the rules and procedures prescribed under Rule 69O-193.062 of the Florida Administrative Code and JAMS Mediation Procedural Rules. Any part of any dispute, claim or controversy that is submitted to mediation under this Section 13.26.2 but is not resolved by mediation may be submitted to binding arbitration in accordance with Section 13.26.3 and Section 13.26.4. Costs of first nonbinding mediation shall be borne by Sponsor, unless the complaint is deemed frivolous by the mediator. If the Resident elects more than one mediation hereunder in any 12 month period, the cost of the second and all subsequent mediations in that 12 month period shall be borne by the Resident. If the resident elects more than three mediations hereunder in any time period, the cost of the fourth and all subsequent mediations shall be borne equally by the Resident and the Sponsor.

**13.26.3 Binding Arbitration.** If a resolution of any part of such dispute, claim or controversy is not achieved by negotiations conducted in accordance with Section 13.26.1 above or by nonbinding mediation conducted in accordance with Section 13.26.2 above, then, if all parties agree to be bound by the arbitrated result, any unresolved portion of any such dispute, claim or controversy may be submitted to binding arbitration pursuant to Florida Administrative Code 69O-193.063 and governed in accordance with the applicable Arbitration Rules of the American Arbitration Association. The Florida approved arbitrator for any binding arbitration hereunder shall be selected from the JAMS arbitration services. Discovery shall be governed by the JAMS Expedited Discovery Process to the extent available under the applicable rules. Except as otherwise provided by JAMS, the arbitration shall be conducted as provided in Section 13.26.4 below. If the Resident elects more than three mediations hereunder in any time period, the cost of the fourth and all subsequent mediations shall be borne equally by the resident and the provider. Costs of arbitration shall be shared equally, with Resident paying one-half (1/2) of such costs and Sponsor paying one-half (1/2) of such costs.

**13.26.4 Binding Arbitration Procedures.** Any binding arbitration proceeding commenced in accordance with Section 13.26.3 above shall be administered by JAMS, pursuant to the applicable Arbitration Rules of the American Arbitration Association, with the arbitrator(s) being selected from the JAMS list of approved arbitrators. Each arbitrator selected must be a member of the Florida Bar Association.

**13.26.5 Litigation.** If a resolution of any part of such dispute, claim or controversy is not achieved by negotiations conducted in accordance with Section 13.26.1 or by nonbinding mediation in accordance with Section 13.26.2, and either party elects to pursue litigation instead of

participating in binding arbitration pursuant to Section 13.26.3, and the dispute, claim, question or disagreement is raised in a judicial action or proceeding (including, without limitation, any claim, counterclaim, cross-claim or third party claim), the court shall determine all issues of law and fact, a jury trial being expressly waived by both you and us.

State Regulation

**FLORIDA STATUTE 651 REQUIRED NOTICE**

**THIS FACILITY AND ALL OTHER CONTINUING CARE FACILITIES IN THE STATE OF FLORIDA ARE REGULATED BY CHAPTER 651, FLORIDA STATUTES. A COPY OF THE LAW IS ON FILE IN THIS FACILITY. THE LAW GIVES YOU OR YOUR LEGAL REPRESENTATIVE THE RIGHT TO INSPECT OUR MOST RECENT FINANCIAL STATEMENT AND INSPECTION REPORT BEFORE SIGNING THE CONTRACT.**

**Acknowledgment of Receipt of Documents**

**YOU HEREBY CERTIFY THAT PRIOR TO SIGNING THIS AGREEMENT OR TRANSFERRING ANY MONEY OR OTHER PROPERTY TO PROVIDER, YOU RECEIVED A COPY OF THIS AGREEMENT WITH ALL ADDENDA AND OUR DISCLOSURE DOCUMENTS PROVIDED PURSUANT TO SECTION 651.091(3), FLORIDA STATUTES.**

*(Signatures appear on following page)*

This Agreement is entered into by Resident(s) and Sponsor as of the last date set forth below. Such date is referred to as the "Agreement Date."

RESIDENT:

RESIDENT:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Click here to enter text.

Click here to enter text.

Printed Name

Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

PAYOR (entrance fee payor if different from resident), if any:

\_\_\_\_\_  
Signature

Printed Name: Click here to enter text.

Payor's address: \_\_\_\_\_

SPONSOR:

Lifespace Communities, Inc.  
d/b/a The Waterford

By: \_\_\_\_\_

Authorized Representative

\_\_\_\_\_

Date

## GLOSSARY

The following terms are described as used in the accompanying Agreement. Reference to the Agreement and the context in which the terms are used is recommended to provide a full understanding of each of the terms:

"Agreement" means this Residency and Care Agreement.

"Apartment" means the apartment at the Community in which you are entitled to live pursuant to the Agreement, as identified in Paragraph 1.1 of the Agreement.

"Application" means the forms that a prospective resident completes and submits to Sponsor to be considered for residency at the Community and comprised of the following: Confidential Data Application (CDA), Confidential Medical History and Health Examination and Determination of Capability of Living Unit Occupancy

"Closing" or "Closing Date" means the date you pay the balance of the Entrance Fee, execute the Residency and Care Agreement and begin paying the Monthly Fee which shall in no event be later than ninety (90) days after the Resident and Sponsor execute the Reservation Agreement. Payment of all amounts due on the Closing Date will constitute closing on the apartment. Once a resident closes on an apartment, he/she will be considered as occupying such apartment at the Community, even if the resident has not physically moved into said apartment.

"Community" means the living and care campus known as [Community Name], which is the subject of the Agreement, including all residential living spaces, the locations where levels of care are provided, common areas and administrative offices.

"Community Health Center" refers to the building where nursing care will be provided on the campus of the Community

"Durable Power of Attorney" means a power of attorney or other form of representative designation, in form acceptable to Sponsor.

"Entrance Fee" refers to the amount(s) set forth in Addendum A to this Agreement, which shall be the sum of (i) the Entrance Fee Deposit paid to Sponsor, and (ii) the balance of the Entrance Fee paid to Sponsor pursuant to this Agreement. The Entrance Fee may not be increased or changed during the duration of the agreed upon care, except for changes required by state or federal assistance programs.

"Entrance Fee Balance" refers to an amount equal to at least seventy-five percent (75%) of the Entrance Fee.

"Entrance Fee Deposit" refers to an amount equal to at least ten percent (10%) of the Entrance Fee.

“Financial Assistance Amendment to Residency and Care Agreement” refers to that amendment that allows Resident to remain at the Community in the event of a change in Resident’s financial status that results in the Resident’s financial difficulty in payment of the Monthly Charges under this Agreement.

“Health Center Admission Agreement” refers to that agreement entered into between Sponsor and Resident prior to admission to the Community Health Center that outlines the service obligations to be provided in the Community Health Center.

“Like or Similar Apartment” means the group of apartments in which the Apartment has been categorized based on similar characteristics, such as similar floor plans, square footage and location in the residential living towers or buildings as specified in this Agreement or the Reservation Agreement and as defined by Florida law.

"Medical Director" means the licensed physician designated by Sponsor to act as Medical Director of the Community Health Center and who assists in assuring that quality care is delivered in the Community Health Center. The Medical Director will also be called upon to assist Sponsor, Resident, and Resident’s family in determining the medical needs of Resident.

"Monthly Charges" means all those monthly charges payable pursuant to the terms of the Agreement, including the Monthly Fees, the fees for optional services and supplies, the Health Center Fee, and all other fees and charges payable monthly pursuant to the terms of the Agreement, as appropriate in the particular circumstances.

"Monthly Fee" means that monthly fee set forth in Addendum A payable as consideration for the items, amenities and features provided to all residents as described in Section 4.1 of the Agreement.

"Occupancy" occurs when on the Closing Date, the Resident pays the balance of the Entrance Fee and signs the Residency and Care Agreement and any other documents required by the Community Resident MUST take Occupancy within ninety (90) days of signing the Reservation Agreement. .

“Personal Service Provider” refers to a private employee, an independent contractor, or a licensed Apartment health care agency that may be contracted by Resident to provide personal services requested or required by Resident that are not covered by this Agreement. Private care providers, private aides, private duty nurses, companions and the like shall all be referred to herein as “Personal Service Providers.”

“Personal Service Provider Manual” refers to the manual established by Sponsor, which sets forth the rules of conduct, policies and procedures that must be followed by any Personal Service Provider and the resident(s) who retain them concerning personal or private health services to residents of the Community.

“Policies of the Community” refers to the policies for the Community established by Sponsor from time to time, including without limitation, those set forth in the Resident Handbook.

"Prospective Resident" means a person who has been accepted by Sponsor for residency in the Community but who has not yet become a resident.

“Reservation Agreement” refers to that agreement between Sponsor and Resident, pursuant to which you have reserved an Apartment in accordance with the terms stated therein.

"Resident" or "you" means the resident or residents who is (are) signatory(ies) to the Agreement. Sometimes a second Resident (if there are two of you) is referred to in the Agreement as the "second person." The second person, which can be a person who becomes the spouse of the Resident after this Agreement has been signed by all parties, must meet health admission requirements applicable to all residents and financial requirements applicable to all residents based on his or her personal finances or through a guarantor accepted by Sponsor and in accordance with Sponsor’s guarantor agreement. All provisions of this Agreement apply equally to the second person, unless as otherwise stated in the Agreement.

"Semi-private" means a health center room that accommodates two patients.

"Sponsor" or "we" or "us" or "our" means Lifespace Communities, Inc., an Iowa not-for-profit corporation and the sponsor of the Community.

“Vacate” “Vacated” “Vacating” means that all of Resident’s personal property has been removed and any alterations to the Apartment made in accordance with Section 2.3 or alterations made related to a transfer in accordance with Section 8 have been removed and the Apartment has been restored to its prior condition, unless such restoration is waived by Sponsor.

**ADDENDUM A**  
**SUMMARY SHEET**

**Resident(s) Name(s):** Anne Bennett  
**Address:** Click here to enter text.  
Click here to enter text. Click here to enter text.

**Apartment Number** Click here to enter text.  
**Apartment Style/Type:** Click here to enter text.

<b>Entrance Fee:</b>	<b>Miscellaneous Fees</b>	
	<u>Description</u>	<u>Amount</u>
Entrance Fee	Click here to enter text.	
Second Person Fee (if applicable)	N/A	Click here to enter text.
Wait List Fee (if applicable)	N/A	
Deposit Amount:	Click here to enter text.	
Balance Due Amount:	Click here to enter text.	

<b>Monthly Fee</b>	<b>NOTES:</b>	
First Person Monthly Fee	Click here to enter text.	Click here to enter text.
Second Person Monthly Fee (if applicable)	N/A	Click here to enter text.
Monthly Fee (Total)	Click here to enter text.	

**Health Center Fee**  
(per person) TBD (Current rate is \$4,421)

**(The Monthly Fee and Health Center Fee are subject to change on an annual basis as determined by Sponsor. The Health Center Fee listed on this Addendum is the current fee at the time of signing. You will be assigned the then-current Health Center Fee in use at the time of your permanent assignment to the Community Health Center. Please see the Residency and Care Agreement for further details as to all Monthly Charges. See Refurbishment Forms for Additional charges as it relates to custom modifications.)**

**Date of Reservation Agreement:** Click here to enter text.  
**Anticipated Closing Date:** Click here to enter text.  
**Latest Closing Date:** Click here to enter text.  
**Type of Residency Agreement** Traditional

**APPENDIX A**

**RECEIPT**

**OF ENTRANCE FEE FUNDS**

As required by Chapter 651.033(3)(a) of the Florida Statutes, Sponsor shall provide to Resident (or Payor) a receipt of Entrance Fee funds received by the Sponsor.

Additionally, Sponsor shall deliver a copy of this receipt to the escrow agent, together with the funds to be deposited into the escrow account, as applicable.

Name of Resident(s):

[Click here to enter text.](#)

[Click here to enter text.](#)

If someone other than the Resident is paying the funds, name of that third party "Payor":

[Click here to enter text.](#)

Address of Resident(s) – or, if applicable, Address of Payor:

Same as resident

[Click here to enter text.](#)

[Click here to enter text.](#)

Date of payment of funds: [Click here to enter text.](#)

Amount of Entrance Fee: [Click here to enter text.](#)

Amount of Entrance Fee Paid: [Click here to enter text.](#)