

**FILED**  
**Commonwealth of Virginia**  
**State Corporation Commission**  
**Bureau of Insurance**  
*April 28, 2022*  
**Commissioner of Insurance**  
**BY:** *[Signature]*



# WILLIAMSBURG LANDING

**WILLIAMSBURG LANDING, INC.**

**DISCLOSURE STATEMENT**

**APRIL 27, 2022**

A copy of this Disclosure Statement has been filed with the State Corporation Commission pursuant to Chapter 49, Title 38.2 of the Code of Virginia of 1950, as amended. Such filing does not constitute approval, recommendation or endorsement of the facility by the State Corporation Commission.

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## **CONTINUING CARE PROVIDER**

Williamsburg Landing, Inc.  
5700 Williamsburg Landing Drive  
Williamsburg, Virginia 23185-3779  
(757) 253-0303

Williamsburg Landing, Inc. (“Williamsburg Landing”) is the Owner and opened its facility for occupancy in September 1985. It is a not-for-profit Virginia non-stock corporation formed on September 23, 1982. Williamsburg Landing is an innovative, non-profit, life plan community whose mission is to offer a full spectrum of opportunities to foster independence, connection and security. In 2019, an on-site re-accreditation survey by the Commission of Accreditation of Rehabilitation Facilities (CARF) and Continuing Care Accreditation Commission (CCAC) was conducted and Williamsburg Landing was awarded a five year re-accreditation as a CCRC and Person-Centered Long Term Care Community and was also re-accredited as an Assisted Living Program and Dementia Care Specialty Program.

## **OFFICERS, DIRECTORS, TRUSTEES, MANAGING OR GENERAL PARTNERS, AND CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTERESTS**

### **Directors**

Williamsburg Landing is governed by a Board of Directors consisting of:

#### **Chair**

Allison Brody  
Director of Community Resource Development  
and Engagement  
Williamsburg Health Foundation  
4801 Courthouse Street, Suite 200  
Williamsburg, VA 23188

Louise Canfield  
Retired Speech and Language Pathologist; Early  
Intervention Consultant  
220 Richard Brewster  
Williamsburg, VA 23185

#### **Vice Chair**

Jeanne Zeidler  
Retired, President/CEO – Williamsburg  
Community Health Foundation  
148 Mimosa Drive  
Williamsburg, VA 23185

Elizabeth F. Davis  
Director Patient Care Services  
Sentara Williamsburg Regional Medical Center  
2421 Pate’s Creek  
Williamsburg, VA 23185

#### **Treasurer**

Alfred L. Woods  
Retired, Business Executive  
P.O. Box 5247  
Williamsburg, VA 23188

Terry Driscoll  
Retired, Director of Athletics  
College of William & Mary  
101 Tayloe Circle  
Williamsburg, VA 23185

Donald S. Buckless  
Exec. VP/Chief Lending Officer  
Old Point National Bank  
4220 Ambassador Circle  
Williamsburg, VA 23188

Michael J. Fox  
Assistant to the President  
The Brafferton-William & Mary  
P.O. Box 8795  
Williamsburg, VA 23187

Vernon M. Geddy III  
Attorney  
Geddy Harris, Franck and Hickman LLP  
1177 Jamestown Road  
Williamsburg, VA 23185

Connie Matthews Harshaw  
Management Consultant  
3009 E. Whittaker Close  
Williamsburg, VA 23185

Theodore Juraschek  
Retired, Lobbyist  
100 Eastbury  
Williamsburg, VA 23188

Matthew T. Lambert  
VP, University Advancement  
College of William & Mary  
128 Ridings Cove  
Williamsburg, VA 23185

Timothy A. Mills  
President, TAM Consultants  
4350 New Town Avenue  
Williamsburg, VA 23188

Carlane Pittman-Hampton  
Director of MBA Programs  
Raymond A. Mason School of Business  
Alan B. Miller Hall, Suite 2019-A  
101 Ukrop Way  
Williamsburg, VA 23185

John Sadler  
President, Chesapeake Wealth Management  
4804 Courthouse Street, Suite 1A  
Williamsburg, VA 23188

Robert J. Singley  
Owner and Broker, RJS and Associates, Inc.  
423 N. Boundary Street, Suite 200  
Williamsburg, VA 23185

John VanAken  
President, Residents' Association  
5618 Boatwright Circle  
Williamsburg, VA 23185

Timothy Wright  
Past President, Residents' Association  
5610 Boatwright Circle  
Williamsburg, VA 23185

### **Election of Directors**

Directors are elected at the annual meeting of the Corporation each year, the timing of which annual meeting has been changed from May to November beginning in 2022. Under typical circumstances, the By-laws of Williamsburg Landing allow directors to serve no more than two consecutive terms of three years each in addition to serving any unexpired portion of a resigning director's term. In addition, the By-laws provide for the President and Immediate Past President of the Residents' Association to each hold voting memberships on the Board of Directors. The President of the Residents' Association is a member of, and elected annually by, the Residents' Council for the Residents' Association.

### **Officers**

At the April 2021 meeting of the Board of Directors, the Governance Committee of the Board made its report of officers and directors proposed for election to the Board of Directors. At the May 5, 2021 annual meeting of the Board, 3 new directors were elected to replace those with expiring terms or those who have relinquished their Board position and all officers of the Corporation were elected. In addition to the above, the following persons are officers of Williamsburg Landing, or serve in administrative positions or serve as independent contractors:

**President/Chief Executive Officer\***  
Gregory T. Storer  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Executive Vice President/Chief Operating Officer\***  
James M. "Michael" Williams  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Chief Financial Officer\***

Juanita Parks  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Senior Director of Development\***

Sally P. Wolfe  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Chief Marketing Officer\***

Lisa A. Bates  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Secretary**

Paul W. Gerhardt, Esquire  
Kaufman & Canoles, P.C.\*\*  
4801 Courthouse St., Suite 300  
Williamsburg, VA 23188

**Chief Talent Officer\***

Brandy Day  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

**Assistant Secretary**

Alexander W. Powell Jr., Esquire  
Kaufman & Canoles, P.C.\*\*  
4801 Courthouse Street, Suite 300  
Williamsburg, VA 23188

**Chief Clinical Officer\***

Vonnie Adams  
5700 Williamsburg Landing Drive  
Williamsburg, VA 23185

*\*Employed by Williamsburg Landing, Inc.*

*\*\*Kaufman & Canoles, P.C. acts as general counsel to Williamsburg Landing, Inc.*

**Management**

Williamsburg Landing has entered into written Employment Agreements with Gregory T. Storer, the President/Chief Executive Officer, James M. “Michael” Williams, the Executive Vice President/Chief Operating Officer, Juanita Parks, the Chief Financial Officer, Brandy Day, the Chief Talent Officer, Vonnie Adams, the Chief Clinical Officer, Sally P. Wolfe, the Senior Director of Development and Lisa A. Bates, CMD, the Chief Marketing Officer, all of which agreements specify the duration of employment, duties, compensation and benefits for each and expressly provide for covenants not to compete in the event of termination of employment.

**Beneficial Interests**

There are no managing or general partners or any persons having an equity or beneficial interest in Williamsburg Landing consistent with its status as a not-for-profit organization.

**BUSINESS EXPERIENCE OF; ACQUISITION OF GOODS AND SERVICES FROM; AND CRIMINAL, CIVIL AND REGULATORY PROCEEDINGS AGAINST THE PROVIDER, ITS OFFICERS, DIRECTORS, TRUSTEES, MANAGING AND GENERAL PARTNERS; CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTERESTS; AND THE MANAGEMENT**

**Experience of Owner**

Williamsburg Landing exclusively operates the Williamsburg Landing facility and does not operate, and has not in the past operated, any other continuing care facilities or other similar facilities.

**Experience of Management**

**Greg Storer, President/CEO**, has had a career in a variety of organizations providing services for seniors. He was retained by Williamsburg Landing, Inc. as of June 1, 2016. He previously served as President of Skilled Care Pharmacy, a privately held institutional pharmacy and one of the largest independent

pharmacies in the Midwest. Prior to that, Greg served as Vice President of Operations and COO at Eliza Jennings Senior Care Network, a provider of independent and assisted living, skilled nursing, adult day care and rehabilitation and in-home services. Earlier in his career, he was COO of Heather Hill Hospital, where he supervised a long-term acute care hospital, rehabilitation services, skilled nursing, assisted living and residential care facilities. Greg attended Bowling Green State University and graduated with a degree in Gerontology/Health Care Administration. He has served as a surveyor for the Commission on Accreditation of Rehabilitation Facilities (CARF), and a preceptor to more than 25 Administrators in Training (AITs), helping them become licensed Nursing Home Administrators. Mr. Storer currently serves on LeadingAge Virginia Board of Directors, Hospice House Board of Directors, James City County Tourism Board of Directors, James City County Workforce Housing Task Force, Chesapeake Bank Advisory Board and LeadingAge Virginia's Middle Market Housing Cabinet.

**James M. "Michael" Williams**, *Executive Vice President/Chief Operating Officer*, joined Williamsburg Landing on May 17, 2021. Mr. Williams is a Business Administration graduate from James Madison University and a licensed Nursing Home Administrator. Mr. Williams previously served as the Executive Director and Co-owner of The Southerland's Retirement Community in Front Royal, Virginia, followed by the role of Director of Business Development for Commonwealth Senior Living. For the last seven years, he has served as the Administrator at Shenandoah Valley Westminster Canterbury, a CARF accredited life plan community in Winchester, Virginia. Mr. Williams has served on multiple boards in his current community to include the Rotary Clubs of Front Royal, Warren Memorial Hospital, and the Shenandoah Area Council of Boy Scouts.

**Juanita Parks, CPA**, *Chief Financial Officer*, began her career with Williamsburg Landing in 2014 as the Accounting Manager before being promoted to the Director of Accounting Services in 2015 and Chief Financial Officer in 2020. Prior to joining Williamsburg Landing, Mrs. Parks served as Controller for a growing ambulance transportation service. Her experience includes financial management, budget implementation, audit, financial analysis, and tax-exempt financing. Mrs. Parks received her B.S. in Accounting from Salisbury University and holds a Certificate in Human Resource Management from Ashworth College. She is a member of the American Institute of Certified Public Accountants (AICPA) and the Virginia Society of Certified Public Accountants (VSCPA), a graduate of LEAD Greater Williamsburg Class of 2019, and serves on the Board of Directors for Avalon Center and Williamsburg Health Foundation.

**Brandy Day**, *Chief Talent Officer*, joined Williamsburg Landing, Inc. on April 21, 2014. She holds a Bachelor of Arts degree in Government & International Politics from George Mason University and a Master of Education in Policy, Planning & Leadership from the College of William & Mary. She is certified as a Senior Professional in Human Resources (SPHR) through the Human Resources Certification Institute (HRCI), Senior Certified Professional through the Society of Human Resources Management (SHRM), and Senior Certified Professional through the International Public Management Association for Human Resources (IPMA-HR). Prior to joining Williamsburg Landing, Brandy served as the Director of Human Resources for Isle of Wight County and as the Human Resources Supervisor for Williamsburg-James City County Public Schools. She is the past chair of both the Employer Advisory Board of the Sherman and Gloria H. Cohen Career Center at the College of William & Mary and the Williamsburg-James City County Public Schools 21st Century Career Ready Citizen Advisory Committee and a former Board Member of Literacy for Life. Brandy is also a graduate of LEAD Greater Williamsburg and the Mid-Atlantic LeadingAge Leadership Academy.

**Sally P. Wolfe**, *Senior Director of Development*, was retained as such by Williamsburg Landing, Inc., as of April 11, 2008. Mrs. Wolfe graduated from Randolph-Macon Woman's College with a B.A. in English in 1983. She also completed coursework at Cannon Financial Institute as a corporate trust specialist. She has been previously employed by NationsBank of Virginia, N.A. (and its predecessor Sovran Bank) in trust administration. Thereafter, she served as Director of Major Gifts with Commonwealth Public Broadcasting



and most recently as Director of Development for the Muscarelle Museum of Art at the College of William and Mary.

**Lisa A. Bates**, *Chief Marketing Officer*, joined Williamsburg Landing in 2011 and was the Senior Director of Marketing & Sales before being promoted to Chief Marketing Officer in 2020. She holds a Bachelor's of Science in Business Public Management and Marketing from the State University of New York. She is a lifelong learner and has achieved industry recognized credentials including CLAS (Certified Leader in Aging Services) CMP (Certified Marketing Professional) and CDP (Certified Dementia Practitioner). Prior to joining the senior living industry, Lisa began her marketing career in the insurance industry serving in agency, corporate underwriting and independent broker positions. She later entered the property management sector serving as Director of Marketing of shopping centers both a local and corporate level. The variety of industries in which she applied her marketing skills allowed her to easily transition into senior living and bring a fresh perspective to our industry. Lisa is the Vice President of her homeowner's association, a member of Leading Age Virginia and the American Marketing Association, and a graduate of LEAD of Greater Williamsburg.

**Vonnie Adams, RN/BSN**, *Chief Clinical Officer*, tenure includes sixteen plus years of leadership in the healthcare industry with a strong focus on elder care. She holds a Bachelor of Science Degree in Nursing from VCU. She was awarded the 2015 Florence Nightingale Advancing & Leading the Profession of Nursing Award. She is a licensed Assisted Living Administrator, as well as a Certified Dementia Practitioner. She has completed the Williamsburg Landing P.R.I.D.E. Leadership Academy and is a member of Leading Age and VHCA.

#### **Acquisition of Goods and Services**

Paul W. Gerhardt, Secretary to Williamsburg Landing, and Alexander W. Powell Jr., Assistant Secretary to Williamsburg Landing, are members of the law firm of Kaufman & Canoles, P.C., which acts as general counsel to Williamsburg Landing. Director Elizabeth Davis is the spouse of a shareholder of the law firm of Kaufman & Canoles. Director Robert J. Singley is a Director of Chesapeake Bank Holding Company, the parent company for Chesapeake Bank, with which bank Williamsburg Landing has deposit accounts. Director Vernon M. Geddy III and President/CEO Gregory Storer serve on the Williamsburg Advisory Board of Chesapeake Bank. Chesapeake Bank rents space at Williamsburg Landing for the operation of retail banking and trust services offices to serve the residents of Williamsburg Landing. Director John Sadler is President of Chesapeake Wealth Management, a subsidiary of Chesapeake Financial Shares, Inc., with which Williamsburg Landing has an investment account.

#### **Criminal, Civil and Regulatory Proceedings**

Neither Williamsburg Landing nor any of the directors, officers or members of Williamsburg Landing, or other persons listed above, have been convicted of a felony or pleaded nolo contendere to a criminal charge, or held liable or enjoined by final judgment in a civil action involving fraud, embezzlement, fraudulent conversion, misappropriation of property or moral turpitude. None of such persons are subject to an injunctive or restrictive order of a court of record, nor within the past five years have any of such persons had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to any business activity or health care, including, without limitation, actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this chapter or similar laws in another state. None of such persons are currently the subject of any state or federal prosecution, or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of property.

## **OWNERSHIP OF REAL PROPERTY**

Williamsburg Landing, Inc. owns real estate of approximately 153.56 acres upon which the community is built on approximately 138.56 of those acres (the “Operating Campus”).

## **LOCATION AND DESCRIPTION OF REAL PROPERTY**

Of the parcels of real property comprising the Operating Campus, the first parcel fronts on College Creek in James City County, Virginia, just off Route 199, with the entrance to the facility near the intersection of Brookwood Drive and Lake Powell Road. The facilities on this parcel consist of 226 residential units comprised of (i) 102 cluster houses in duplex structures, including one, two and three bedroom units, (ii) 70 apartment units located in the Landing Building (one and two bedroom units), (iii) 48 apartment units (two bedrooms each) located in the four “River Court Apartments” (sometimes referred to as “Manor Houses”), and (iv) 6 newly constructed independent living townhouse units in an area known as Bluffton Ridge. The Landing Building also houses central services for the residents of the facility.

The second parcel (“Boatwright Circle”) lies south-east of Williamsburg Landing Drive, near the entrance to Williamsburg Landing. This parcel is developed with 32 units, 30 of which are dwelling units in duplex structures and 2 of which are single residences. In recognition of the adjacent Williamsburg-Jamestown Airport, a portion of this parcel is within the Airport-Approach Overlay District as specified by the James City County Zoning Ordinance. As such, height limitations on structures are imposed and noise from the airport may be heard.

The third parcel lies northwest of Williamsburg Landing Drive. The senior care facilities (sometimes referred to as “Woodhaven at Williamsburg Landing”) built on this third parcel includes a 30,000 square foot facility and contains 74 assisted living units, 24 special care units for residents with dementia and 73 nursing beds. Also located on this third parcel are 32 cluster homes known as “Edgewood”, a 24,000 square foot fitness/wellness facility known as the “William A. Doig Health Club & Spa” and 31 two-bedroom independent living apartments in a single building known as “Earl’s Court”. In 2018, Williamsburg Landing completed an expansion of the Williamsburg Landing senior care facilities to include (i) the Memory Support Home to allow for consolidation of dementia services and the addition of memory support beds, (ii) a reconfiguration of skilled care in the existing facility to add 15 beds to skilled care or long-term nursing, (iii) the construction of an Adult Day Center, and (iv) construction of a new three-story addition to the existing Assisted Living facilities to add up to 29 units to assisted living.

These parcels are served by a parcel comprising Williamsburg Landing Drive and a parcel serving as a parking lot behind the Landing Building.

In December 2017, Williamsburg Landing obtained local zoning approvals to allow for the construction of an additional 137 independent living residences on an approximately 15 acre parcel of land, which parcel is adjacent to the Operating Campus and was purchased by Williamsburg Landing in 2018. At this time, there is no set timeline for obtaining financing for and constructing these 137 additional units. However, the special use permit issued by James City County which is required for the expansion project will expire on December 12, 2027 unless a renewal is granted prior to that date.

As of April 2022, all of the land and buildings on the Operating Campus are subject to a first lien deed of trust securing a total principal amount of \$117,288,984 for the holders of a total of \$103,704,200 of indebtedness. (See Debt Service Table, pages 15 and 16 and the section below under the heading **Reserve Funding**).

## **AFFILIATIONS WITH RELIGIOUS, CHARITABLE OR OTHER NONPROFIT ORGANIZATIONS; TAX STATUS OF PROVIDER**

### **Affiliations**

Williamsburg Landing is a member of a limited liability company, At Home Partners, LLC, established for the purpose of providing clinical, managerial, and administrative support services for the operations of the community-based continuing care provider Riverside Retirement Services, Inc. d/b/a ChooseHome, which is also a member of the limited liability company and is affiliated with Riverside Healthcare Association, Inc., a not-for-profit organization. Legacy Care, LLC has entered into agreements with Williamsburg Landing whereby they provide support for medical direction and related medical services to different areas at Williamsburg Landing.

Neither Legacy Care, LLC, nor Riverside Healthcare Association, Inc., nor any of their respective affiliates is responsible for the financial or contractual obligations of Williamsburg Landing. Williamsburg Landing is not and has not been affiliated with any other religious, charitable or not-for-profit organizations.

### **Tax Status**

The Internal Revenue Service has issued a final ruling determining Williamsburg Landing to be exempt from Federal income taxation under Section 501(c)(3) and a public charity under 509(a)(2) of the Internal Revenue Code of 1986, as amended.

## **SERVICES PROVIDED UNDER CONTINUING CARE CONTRACTS**

### **Residency and General Services**

The services provided by Williamsburg Landing, those covered by the Monthly Service Fee and those available at extra charge, are described in Articles I and II of the Residency Agreements. The various Agreements to which this disclosure statement applies are attached as **Appendices B1-B3**:

- **Appendix B1** is the Residency Agreement for Independent Living Residential Unit (0%, 50% and 90% Refundable Entrance Fee Plans) (The Bluffton Ridge Units and the 4 new Boatwright Circle Units completed in November 2021 are only available under 50% and 90% Refundable Entrance Fee Plans)
- **Appendix B2** is the Residency Agreement for Assisted Living (Woodhaven Manor) Assisted Living Unit (50% and 0% Refundable Entrance Fee Plans)
- **Appendix B3** is the Residency Agreement for Memory Support Home (Woodhaven House) Memory Support Assisted Living Unit (50% and 0% Refundable Entrance Fee Plans)
- **Appendix B4** is the Amendment to Residency Agreement for Independent Living for a permanent transfer move from an Independent Living Unit to an Assisted Living Unit
- **Appendix B5** is the Amendment to Residency Agreement for Independent Living or Assisted Living for a permanent transfer move to a Memory Support Unit
- **Appendix B6** is the Amendment to Residency Agreement for Independent Living or Assisted Living for a permanent transfer move to the Nursing Center
- **Appendix B7** is the Amendment to Residency Agreement for Memory Support for a permanent transfer move from a Memory Support Assisted Living Unit to the Nursing Center

In addition, there are Admission Agreements without entrance fee available for Williamsburg Landing Assisted Living (also known as “Woodhaven Manor”), Williamsburg Landing Memory Support Home (also known as “Woodhaven House”) and Williamsburg Landing Nursing Center (also known as “Woodhaven Hall”) to a limited degree and further information is available from Williamsburg Landing upon request. The agreements without entrance fee are not continuing care retirement community agreements because, among other things, they do not guarantee the availability of health care services.

### **Health Care Services**

Temporary Care. While a resident of either an Independent Living unit or an Assisted Living unit, up to ten days per calendar year (non-cumulative) of care, at the shared bath room rate, in the Williamsburg Landing Health & Rehabilitation Center (“Nursing Center”) are provided for no additional fee unless otherwise specifically agreed by a resident and Williamsburg Landing as noted in an addendum to the Residency Agreement; provided, however, transfers to the Nursing Center, even those that are temporary or short-term, are subject to the approval of the Medical Director for the Nursing Center or its designee.

Permanent Care. For permanent transfers to the Nursing Center, the Entrance Fee and Monthly Service Fee schedules are as set forth in **Appendix A** unless otherwise specifically agreed by a resident and Williamsburg Landing as noted in an addendum to the Residency Agreement. Once a resident is permanently transferred to the Nursing Center, after the calendar year of that transfer, that resident is no longer entitled to the inclusion of ten days of care in the Monthly Service Fee.

Access to Nursing Center. If space is not then available within the Nursing Center, nursing care required by the Resident may be provided by contract in another licensed nursing home facility on a temporary basis and Resident will not be required to pay more than the Resident would have been required to pay if space were available in the Nursing Center. Thereafter, the Resident will be required to pay the per diem rate established for temporary stays in the Nursing Center in addition to the Monthly Service Fee on the Resident’s living quarters.

Available Additional Healthcare Services. Pursuant to subsection B(2) of Article II of the Residency Agreement, additional health care services may be provided by independent contractors, the charges of which will be paid by residents and are not included in the Monthly Service Fee.

### **Food Service**

For Independent Living Residency Agreements, there are multiple meal plan options: one meal per day per person the cost of which is included in the Monthly Service Fee; a 20 meal per month plan which may be chosen and a partial Monthly Service Fee credit received; or a Declining Balance Meal Plan which may be chosen and a partial Monthly Service Fee credit received. Additional meals are available at an extra charge. See Subsection A. (3) (Meals) of Article II of the Residency Agreement attached as **Appendix B1** for a more detailed description. For Assisted Living and Memory Support Residency Agreements, three meals per day are included in the Monthly Service Fee.

### **Utilities**

The Residency Agreements set forth those utility charges not included in the Monthly Service Fee, which charges may vary depending on the type of unit occupied. See Subsection A. (8) (Utilities) of Article II of the Residency Agreements attached as **Appendices B1, B2 and B3**.

### **FEES REQUIRED OF RESIDENTS**

As provided in the Residency Agreement described in **Appendix B1**, which requires the payment of an entrance fee, if the initial Independent Living Residential Unit is occupied by more than one person as a Resident on or after the Effective Occupancy Date (which term is defined later in this Disclosure

Statement), a Second Person Entrance Fee is payable on or before the Effective Occupancy Date as set forth in the Fee Schedule in **Appendix A**. The Second Person Entrance Fee is included within the definition of Entrance Fee and as such may be subject to a refund.

Subject to the projected needs of its existing residents, Williamsburg Landing may also offer on a limited basis Residency Agreements for direct admissions to Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home with a Refundable Entrance (see **Appendices B2** and **B3**) and may offer an Assisted Living Admission Agreement, Memory Support Home Admission Agreement and Health and Rehabilitation Center Admission Agreement without Entrance Fee. The agreements for Assisted Living and Memory Support Home provide no assurance of future placement/transfer to the Health & Rehabilitation Center.

The types of fees required of residents at Williamsburg Landing are described in Article III of the Residency Agreements. The Residency Agreements, in Section C of Article III, also provide that the Monthly Service Fee may be increased with 30 days' prior written notice to the Resident. Current Fees are set forth in the Williamsburg Landing Fee Schedule attached as **Appendix A**. The refund process is described in the Residency Agreements and in the section below under the heading **Refunds**.

The weighted average Monthly Service Fee for the Independent Living Residential Unit effective as of January 1, 2022, is \$5,057, which amount includes basic cable television service. The weighted average Monthly Service Fees for the past five years are as follows:

2021	\$4,837
2020	\$4,777
2019	\$4,627
2018	\$4,515
2017	\$4,405

### **Joint Occupancy**

Sections C (Monthly Service Fee) and F (Marriage or Double Occupancy; Joint and Several Obligations of Co-Residents) of Article III, Section B of Article IV (Procedure for Permanent Transfer to the Nursing Center), Section G of Article VI (Refund of Entrance Fee After Effective Occupancy Date) and subsection D(2) of Article III (Second Person Fee) of the Residency Agreements in **Appendix B1** and **B2** discuss the consequences of joint occupancy of a unit and termination of residency by one joint occupant.

If two co-Residents are entering into a Residency Agreement, each agrees to make all necessary provisions to ensure that each Resident will have sufficient financial resources to meet their obligations under the Residency Agreement even if one of the co-Residents leaves Williamsburg Landing by death, withdrawal or otherwise.

Residential Units at Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home (see **Appendices B2** and **B3**) are designed for single occupancy only, with the exception of a few units at Williamsburg Landing Assisted Living center which are designated to accommodate two persons.

### **Modifications to Residential Units**

For all existing residential units, Williamsburg Landing may charge residents for all expenses of resident-requested special modifications (including, without limitation, upgrades) to residential units, including an administrative fee. Such charges are based on policies and procedures established by Management and are subject to change, and all requests for changes are subject to Williamsburg Landing's prior approval and are at its discretion. No portion of such charges is refundable.

## **Subordination**

The Residency Agreements expressly provide for subordination of the rights of residents to occupancy, services and refund of Entrance Fees to the present and future liens created in connection with the financing of the Williamsburg Landing facilities. Residents have no lien or claim against any property of Williamsburg Landing pursuant to the Residency Agreements. Foreclosure or other enforcement proceedings by the trustee for the bondholders or other creditors may adversely affect the rights of residents to services or for refund of Entrance Fees and other funds.

## **Escrow and Refund of Deposits**

Deposits toward the Entrance Fee made prior to occupancy will be held as provided in Section B (Entrance Fee) of Article III of the Residency Agreement. Refunds of such deposits are governed by the provisions of Section F of Article VI of the Residency Agreement. Subsection B(1) (Escrow Account) of Article III of the Residency Agreements describe the escrow account into which deposits paid by the Resident are to be deposited prior to occupancy. Currently the Escrow Agent is TowneBank. Funds are held in the escrow account as cash deposits or are in other investments which are authorized for the investment of public funds. Deposits may be released from the Escrow Account to Williamsburg Landing any time on or after the Effective Occupancy Date for the unit. Interest, if any, on the deposits shall belong to Williamsburg Landing.

Moneys deposited in the escrow account will be returned without interest to the prospective resident within thirty days of a written request for a refund, if the prospective resident dies before occupancy, or upon any rescission of a Residency Agreement before the Effective Occupancy Date.

## **RESERVE FUNDING**

Williamsburg Landing previously borrowed proceeds of several series of tax-exempt bond financings from 1984 to 1996 and again in 2003 and 2005 to finance and refinance the initial construction and subsequent expansions of its facilities, and all such bonds have been repaid or refinanced. In November 2007, Williamsburg Landing refinanced some of its debt by obtaining a \$9,000,000 loan by placing tax-exempt bonds with TowneBank and in December 2007, a \$5,515,000 loan was obtained by placing tax-exempt bonds with Chesapeake Bank. The outstanding balance of the 2007 TowneBank bank qualified tax-exempt bond financing, as of April 1, 2022, was \$6,590,000 and the Chesapeake Bank bond indebtedness was paid in full from a portion of the proceeds of the issuance of publically traded Series 2021A Bonds in the amount of \$70,030,000. In December 2011, Williamsburg Landing closed on the first part of a two part \$17,500,000 bank qualified tax-exempt bond financing placed with TowneBank to provide funds for substantial renovations, which first part was for Series 2011A and Series 2011B bonds each in the amount of \$5,000,000 for a total amount of \$10,000,000. The second part of the two part financing closed in January 2012 in the amount of \$7,500,000. The outstanding balances of these two bank qualified tax-exempt bond financings, as of April 1, 2022, are \$8,230,000 and \$6,170,000, respectively. In December 2012, Williamsburg Landing obtained through Union First Market Bank and M&T Bank a bank qualified tax-exempt bond financing in the amounts of \$10,620,000 and \$10,000,000, respectively. In January 2013, Williamsburg Landing obtained through M&T Bank a bank qualified tax-exempt financing in the amount of \$13,460,000. In June 2015, Williamsburg Landing obtained through M&T Bank two bank qualified tax-exempt bond financing loans in the amount of \$10,000,000 each. In October 2016, Williamsburg Landing closed on \$38,758,630 in total principal amount of bank qualified tax-exempt bonds to finance the expansion of its healthcare complex by placing \$28,758,630 in bonds with M&T Bank and \$10,000,000 in bonds with TowneBank. The outstanding balance of the 2016 TowneBank bank qualified tax-exempt bond financing, as of April 1, 2022, was \$9,401,485 and the M&T Bank and Union First Market Bank bonds indebtedness was paid in full from the proceeds of the Series 2021A Bonds and related rate swap transactions were terminated with the proceeds of taxable Series 2021B bonds in the amount of \$1,300,000. All tax-exempt bond financings are required by federal tax law to be issued through government authorities;

therefore, Williamsburg Landing has in the course of incurrence of its outstanding tax-exempt bond obligations entered into agreements with the Economic Development Authority of James City County, Virginia, the Economic Development Authority of Mathews County, Virginia, and the Economic Development Authority of the City of Williamsburg, under which Williamsburg Landing must provide funds from operations to pay debt service on the 2007, 2011, 2012 and 2016 financings with TowneBank and on the financings related to the 2021 financings.

Williamsburg Landing believes that it will continue to be able to operate its facilities on a sound basis and provide for payment of all the above-designated debt obligations when due.

As of March 31, 2022, Williamsburg Landing had unrestricted reserves of approximately \$25,755,509 (cost basis) which was comprised of various funds with Vanguard, and unrestricted cash and certificates of deposit totaling \$3,081,118 which is deposited in accounts at M&T Bank and Chesapeake Bank. As of March 31, 2022, the total market value of these reserves and unrestricted cash was \$29,967,919.

Pursuant to the terms of the Series 2021A Bonds, Williamsburg Landing is required to maintain a Debt Service Reserve Fund (the 2021A Bond Reserve Fund) in an amount equal to the maximum annual debt service on the Series 2021A Bonds and any other obligations required to be secured by the 2021A Bond Reserve Fund. As of April 1, 2022, the balance of the 2021A Bond Reserve Fund was \$5,391,857.

Williamsburg Landing currently has no other material escrow or reserve funds except for funds held to receive charitable contributions.

The following table sets forth the annual amounts (which are payable in monthly installments) Williamsburg Landing is required to pay as debt service:

(Debt Service Table is on following pages)

Debt Service Table

	2007 TowneBank		2011A TowneBank		2011B TowneBank		2012 TowneBank	
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal
2021	\$ 43,441	\$ -	\$ 27,210	\$ 120,000	\$ 27,210	\$ 120,000	\$ 40,799	\$ 180,000
2022	\$ 169,990	\$ 295,000	\$ 105,756	\$ 125,000	\$ 105,756	\$ 125,000	\$ 158,569	\$ 185,000
2023	\$ 162,153	\$ 310,000	\$ 102,543	\$ 130,000	\$ 102,543	\$ 130,000	\$ 153,815	\$ 195,000
2024	\$ 153,994	\$ 325,000	\$ 99,202	\$ 135,000	\$ 99,202	\$ 135,000	\$ 148,803	\$ 205,000
2025	\$ 145,383	\$ 340,000	\$ 95,733	\$ 145,000	\$ 95,733	\$ 145,000	\$ 143,535	\$ 215,000
2026	\$ 136,450	\$ 355,000	\$ 92,006	\$ 150,000	\$ 92,006	\$ 150,000	\$ 138,009	\$ 225,000
2027	\$ 127,065	\$ 370,000	\$ 88,151	\$ 160,000	\$ 88,151	\$ 160,000	\$ 132,227	\$ 240,000
2028	\$ 117,358	\$ 385,000	\$ 84,039	\$ 165,000	\$ 84,039	\$ 165,000	\$ 126,059	\$ 250,000
2029	\$ 107,167	\$ 405,000	\$ 79,799	\$ 175,000	\$ 79,799	\$ 175,000	\$ 119,634	\$ 265,000
2030	\$ 8,493	\$ 425,000	\$ 75,301	\$ 185,000	\$ 75,301	\$ 185,000	\$ 112,823	\$ 275,000
2031	\$ 7,579	\$ 440,000	\$ 70,547	\$ 195,000	\$ 70,547	\$ 195,000	\$ 105,756	\$ 290,000
2032	\$ 6,633	\$ 455,000	\$ 65,535	\$ 200,000	\$ 65,535	\$ 200,000	\$ 98,303	\$ 305,000
2033	\$ 5,655	\$ 480,000	\$ 60,395	\$ 215,000	\$ 60,395	\$ 215,000	\$ 90,464	\$ 320,000
2034	\$ 4,623	\$ 505,000	\$ 54,870	\$ 225,000	\$ 54,870	\$ 225,000	\$ 82,240	\$ 335,000
2035	\$ 3,537	\$ 525,000	\$ 49,087	\$ 235,000	\$ 49,087	\$ 235,000	\$ 73,631	\$ 350,000
2036	\$ 2,408	\$ 545,000	\$ 43,048	\$ 245,000	\$ 43,048	\$ 245,000	\$ 64,636	\$ 370,000
2037	\$ 1,236	\$ 575,000	\$ 36,751	\$ 260,000	\$ 36,751	\$ 260,000	\$ 55,127	\$ 390,000
2038			\$ 30,069	\$ 270,000	\$ 30,069	\$ 270,000	\$ 45,104	\$ 405,000
2039			\$ 23,130	\$ 285,000	\$ 23,130	\$ 285,000	\$ 34,695	\$ 430,000
2040			\$ 15,806	\$ 300,000	\$ 15,806	\$ 300,000	\$ 23,644	\$ 450,000
2041			\$ 8,096	\$ 315,000	\$ 8,096	\$ 315,000	\$ 12,079	\$ 470,000
2042								
2043								
2044								
2045								
2046								
2047								
2048								
2049								
2050								
<b>Total</b>	<b>\$1,203,162</b>	<b>\$ 6,735,000</b>	<b>\$1,307,070</b>	<b>\$4,235,000</b>	<b>\$1,307,070</b>	<b>\$4,235,000</b>	<b>\$1,959,946</b>	<b>\$6,350,000</b>



Debt Service Table

	2016 TowneBank		2021A		2021B		Total		Total Debt Service
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	
2021	\$ 60,405	\$ -	\$ 606,927	\$ -	\$ 5,242	\$ 235,000	\$ 811,232	\$ 655,000	\$ 1,466,232
2022	\$ 238,920	\$ 209,982	\$ 2,801,200	\$ 130,000	\$ 19,525	\$ 1,065,000	\$ 3,599,715	\$ 2,134,982	\$ 5,734,697
2023	\$ 233,453	\$ 215,449	\$ 2,796,000	\$ 1,205,000	\$ -	\$ -	\$ 3,550,507	\$ 2,185,449	\$ 5,735,956
2024	\$ 227,844	\$ 221,059	\$ 2,747,800	\$ 1,240,000	\$ -	\$ -	\$ 3,476,845	\$ 2,261,059	\$ 5,737,904
2025	\$ 222,089	\$ 226,814	\$ 2,698,200	\$ 1,265,000	\$ -	\$ -	\$ 3,400,671	\$ 2,336,814	\$ 5,737,485
2026	\$ 216,184	\$ 232,719	\$ 2,647,600	\$ 1,305,000	\$ -	\$ -	\$ 3,322,255	\$ 2,417,719	\$ 5,739,974
2027	\$ 210,125	\$ 238,777	\$ 2,595,400	\$ 1,325,000	\$ -	\$ -	\$ 3,241,119	\$ 2,493,777	\$ 5,734,896
2028	\$ 203,909	\$ 244,994	\$ 2,542,400	\$ 1,370,000	\$ -	\$ -	\$ 3,157,803	\$ 2,579,994	\$ 5,737,797
2029	\$ 197,530	\$ 251,372	\$ 2,487,600	\$ 1,395,000	\$ -	\$ -	\$ 3,071,528	\$ 2,666,372	\$ 5,737,900
2030	\$ 194,300	\$ 359,218	\$ 2,431,800	\$ 1,325,000	\$ -	\$ -	\$ 2,898,018	\$ 2,754,218	\$ 5,652,236
2031	\$ 185,068	\$ 368,570	\$ 2,378,800	\$ 1,360,000	\$ -	\$ -	\$ 2,818,296	\$ 2,848,570	\$ 5,666,866
2032	\$ 175,596	\$ 378,166	\$ 2,324,400	\$ 1,400,000	\$ -	\$ -	\$ 2,736,001	\$ 2,938,166	\$ 5,674,167
2033	\$ 165,877	\$ 388,011	\$ 2,268,400	\$ 1,420,000	\$ -	\$ -	\$ 2,651,186	\$ 3,038,011	\$ 5,689,197
2034	\$ 155,905	\$ 398,113	\$ 2,211,600	\$ 1,445,000	\$ -	\$ -	\$ 2,564,107	\$ 3,133,113	\$ 5,697,220
2035	\$ 145,674	\$ 408,478	\$ 2,153,800	\$ 1,485,000	\$ -	\$ -	\$ 2,474,815	\$ 3,238,478	\$ 5,713,293
2036	\$ 135,176	\$ 419,112	\$ 2,094,400	\$ 1,515,000	\$ -	\$ -	\$ 2,382,714	\$ 3,339,112	\$ 5,721,826
2037	\$ 124,405	\$ 430,024	\$ 2,033,800	\$ 1,535,000	\$ -	\$ -	\$ 2,288,069	\$ 3,450,024	\$ 5,738,093
2038	\$ 113,353	\$ 441,219	\$ 1,972,400	\$ 2,170,000	\$ -	\$ -	\$ 2,190,995	\$ 3,556,219	\$ 5,747,214
2039	\$ 102,014	\$ 452,706	\$ 1,885,600	\$ 2,225,000	\$ -	\$ -	\$ 2,068,569	\$ 3,677,706	\$ 5,746,275
2040	\$ 90,379	\$ 464,492	\$ 1,796,600	\$ 2,290,000	\$ -	\$ -	\$ 1,942,234	\$ 3,804,492	\$ 5,746,726
2041	\$ 78,442	\$ 476,584	\$ 1,705,000	\$ 2,360,000	\$ -	\$ -	\$ 1,811,712	\$ 3,936,584	\$ 5,748,296
2042	\$ 66,194	\$ 488,993	\$ 1,610,600	\$ 3,585,000	\$ -	\$ -	\$ 1,676,794	\$ 4,073,993	\$ 5,750,787
2043	\$ 53,626	\$ 501,723	\$ 1,467,200	\$ 3,730,000	\$ -	\$ -	\$ 1,520,826	\$ 4,231,723	\$ 5,752,549
2044	\$ 40,732	\$ 514,785	\$ 1,318,000	\$ 3,875,000	\$ -	\$ -	\$ 1,358,732	\$ 4,389,785	\$ 5,748,517
2045	\$ 27,502	\$ 528,187	\$ 1,163,000	\$ 4,030,000	\$ -	\$ -	\$ 1,190,502	\$ 4,558,187	\$ 5,748,689
2046	\$ 13,928	\$ 541,938	\$ 1,001,800	\$ 4,195,000	\$ -	\$ -	\$ 1,015,728	\$ 4,736,938	\$ 5,752,666
2047			\$ 834,000	\$ 4,910,000			\$ 834,000	\$ 4,910,000	\$ 5,744,000
2048			\$ 637,600	\$ 5,105,000			\$ 637,600	\$ 5,105,000	\$ 5,742,600
2049			\$ 433,400	\$ 5,310,000			\$ 433,400	\$ 5,310,000	\$ 5,743,400
2050			\$ 221,000	\$ 5,525,000			\$ 221,000	\$ 5,525,000	\$ 5,746,000
<b>Total</b>	<b>\$3,678,630</b>	<b>\$ 9,401,485</b>	<b>\$55,866,327</b>	<b>\$ 70,030,000</b>	<b>\$ 24,767</b>	<b>\$ 1,300,000</b>	<b>\$65,346,971</b>	<b>\$ 102,286,485</b>	<b>\$ 167,633,456</b>

## **CERTIFIED FINANCIAL STATEMENTS**

Attached as **Appendix C** are the audited financial statements of Williamsburg Landing for the two years ended December 31, 2020 and 2021.

## **PRO FORMA INCOME STATEMENT**

Attached as **Appendix D** is a pro forma statement of revenues and expenses for the fiscal year of Williamsburg Landing ending December 31, 2021.

## **ADMISSION OF NEW RESIDENTS**

Residents occupying under Residency Agreements must be 62 years of age or older at the time of occupancy; provided, however, in circumstances of joint occupancy, Management of Williamsburg Landing may, at its discretion and subject to such lawful terms and conditions as it may elect to apply, allow that only one of the joint occupants be 62 years of age or older at the time of occupancy when the other is not less than 60 years of age at the time of occupancy.

The processes that must take place prior to approval for residency at Williamsburg Landing include the following:

### **Future Residency List**

Williamsburg Landing maintains a Future Residency List for those interested in Williamsburg Landing but who are unsure of when they might commence residency. To be placed on the Future Residency List, an individual or couple need only complete an Application and pay a fee of \$1,000 (which will be credited, without interest, towards the Entrance Fee at the Effective Occupancy Date). The Future Residency List Fee can be refunded at any time prior to the date the depositor completes the residency application and selects the depositor's desired residence by signing a Depositor Reservation Letter. The Future Residency List does not establish priority for future admissions.

### **Ready Status List**

Williamsburg Landing also maintains a separate Ready Status List for those approaching the time when they would become residents. To be placed on the Ready Status List, a Ready Status Fee (which will also be credited toward the Entrance Fee) of \$9,000 is required if the Future Residency List Fee has been paid, or \$10,000 is required if the Future Residency List Fee has not been paid. Depositors will be placed on the Ready Status List in the sequence each Ready Status Fee deposit was made; this sequence determines the priority one depositor has over others in selecting specific units and units are made available to depositors and residents requesting internal transfers on an alternating basis. The Ready Status Fee deposit (less \$1,000 for each depositor which amount is to be held by Williamsburg Landing) will be held in escrow by a third party escrow agent selected by Williamsburg Landing, but will remain the property of the depositor until released to Williamsburg Landing on the Effective Occupancy Date. No interest is paid or credited to the depositor for money held in escrow or by Williamsburg Landing. The portion of the deposit held in escrow will be refunded within thirty (30) days after receipt of a written request for a refund at any time prior to the Effective Occupancy Date.

### **Decision Process**

The decision process commences on or before the date when the depositor's choice of an independent living residential unit is projected to become available. At that point, the depositor will pay an Admissions Processing Fee (\$1,000 **per person**) to partially pay for the expenses incurred by Williamsburg Landing in conducting the required financial and medical reviews described below. If admission is approved, the Admissions Processing Fee is neither refundable nor credited toward the Entrance Fee. In addition, the

depositor executes a Depositor Reservation Letter. If the prospective Resident requests upgrades or modifications to the residential unit for which they commit or the carpeting and paint they have selected have been installed or applied, they are responsible for the cost of all those items and they will need to pay for the items. In most instances payment will be required in advance of the changes, upgrades and modifications being made. The amounts paid for the changes, upgrades and modifications are not held in escrow and are non-refundable once the changes, upgrades and modifications have been started.

After the Admissions Processing Fee is paid, the depositor will be asked to provide financial and medical information on forms provided by Williamsburg Landing. Incomplete and missing information will delay a decision. Medical examinations by a medical professional designated by Williamsburg Landing will be required. Also, personal interviews may be required. All of such information must be no older than six (6) months before the anticipated Effective Occupancy Date. Any approval for admission is subject to re-evaluation if significant changes to a depositor's financial and/or medical condition before the Residency Agreement Date occurs. If admission is denied, the Admission Processing Fee will be refunded.

Williamsburg Landing, in its sole discretion, makes the decision whether or not to admit each depositor on an individual basis based on admission criteria. The criteria, which may be amended from time to time, is consistent with the goals of providing high standards for residents while controlling the financial and physical risks for the protection of all residents. The depositor agrees to accept such decision as binding and final. If admission is not granted, the Admissions Processing Fee, the Future Residency List Fee and the Ready Status Fee paid by the depositor will be refunded in full, without interest, within thirty (30) days thereafter. At that time the depositor's name will be removed from both the Future Residency List, the Ready Status List, and from further consideration for residency at Williamsburg Landing.

### **Residency Agreement Date**

If the depositor is approved for residency and the unit is ready for occupancy or the timing for when the unit will be ready for occupancy is determined, the depositor next signs a Residency Agreement paying to Williamsburg Landing the balance of all fees (Entrance and Second Person Fees). These will be held in escrow until the Effective Occupancy Date.

### **Effective Occupancy Date**

The Effective Occupancy Date is the date when all provisions of the Residency Agreement become effective as set forth in Subsection A. of Article III of the Residency Agreements attached as **Appendices B1, B2 and B3**. All escrowed money is released to Williamsburg Landing, and the Monthly Service Fee commences as of the Effective Occupancy Date. Without regard to the Effective Occupancy Date, the depositor(s) shall have the right to rescind a continuing care contract, without penalty or forfeiture, within seven (7) days after making an initial deposit or executing the Residency Agreement. A Resident is not required to move into Williamsburg Landing before expiration of the seven-day period.

### **Refunds**

Prior to the Effective Occupancy Date. The Future Residency List Fee can be refunded, without interest, at any time prior to the date the depositor pays the Ready Status Fee and signs the Depositor Reservation Letter selecting their desired residence. This refund is to be within thirty (30) days after receipt by Williamsburg Landing of a written request from the depositor to be removed from the Future Residency List.

After a Ready Status Fee is paid, \$1000 per depositor will be held by Williamsburg Landing and not in escrow and it will not be subject to refund except in limited circumstances as described below in this Section. The balance of the Ready Status Fee paid and any additional escrow deposits made will be held in escrow by a third party escrow agent designated by Williamsburg Landing. The funds held in escrow

will remain the property of the depositor until released to Williamsburg Landing on the Effective Occupancy Date. No interest is paid or credited to the depositor for money held by Williamsburg Landing or in escrow. The amount of the Ready Status Fee and any additional escrow deposits made and held in escrow will be refunded within thirty (30) days after receipt of a written request for a refund at any time prior to the Effective Occupancy Date; provided, however, if the depositor terminates prior to signing the Depositor Reservation Letter or is precluded from becoming a Resident through illness, injury, incapacitation or death before the Effective Occupancy Date, all Ready Status Fee amounts paid plus any Future Residency List Fee paid, whether or not held by Williamsburg Landing or in escrow, will be refunded without interest to the depositor or his estate within thirty (30) days following receipt by Williamsburg Landing of written notice. If there is no qualified legal representative, Williamsburg Landing may refund monies to the depositor's spouse, next of kin or other responsible persons. Upon making a refund, Williamsburg Landing shall be fully discharged from all further liability. All credits and refunds will be without interest. There is no refund for monies paid for modifications or upgrades once the work begins.

Following the Effective Occupancy Date. Refunds of a portion of the entrance fee after the Effective Occupancy Date will be made subject to Section G of Article VI of the Residency Agreement at **Appendix B1** which provides that no refund will be made until full payment of a new entrance fee for the vacated unit is received (in certain instances, this may actually be another unit, as set forth in Section G of Article VI of that Residency Agreement). Such percentage of the refund amount decreases after the Effective Occupancy Date. Refund of the Entrance Fee is not guaranteed if the conditions of the Residency Agreement, including receipt by Williamsburg Landing of another entrance fee with respect to the vacated unit, are not met.

Additional details regarding refunds of the Entrance Fee and deposits with respect to the Entrance Fee for Independent Living Units, including the termination of the Residency Agreement and the associated refunds due to termination by the Resident, termination by Williamsburg Landing or the death of the Resident, are governed by Article VI of the Residency Agreement at **Appendix B1**.

Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home. Refunds of the Entrance Fee for residents directly admitted to Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home will be made pursuant to Sections F and G of Article VI of the Residency Agreements, attached as **Appendices B2** and **B3**. These Agreements state that where termination occurs prior to occupancy, a full refund of any deposit, less \$1,000 per each Resident (except if Resident dies before occupying the Residential Unit, or is later precluded through illness, injury, or incapacitation from becoming a resident) and less the Admissions Processing Fee, will be made within thirty days. Where termination occurs after the date of occupancy in Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home, a stated percentage of the original Entrance Fee paid, adjusted as set forth in Section G of Article VI of **Appendices B2** and **B3**, will be refunded.

#### **ACCESS TO FACILITY BY NON-RESIDENTS**

Williamsburg Landing is the home of its residents. Sections C and F of Article VIII of the Residency Agreements, attached as **Appendix B1** and **B2**, govern the manner in which additional persons may occupy residential units subject to Residency Agreements at Williamsburg Landing. Residents may have visitors at any time. In addition, in limited circumstances when approved by Management of Williamsburg Landing, live-in caregivers who are not qualified as residents of Williamsburg Landing may reside with Residents for purposes of performing substantial duties related to the management and maintenance of a residence and the providing of personal care. Guests are to be registered with security personnel. Access to the facilities is controlled and security personnel may refuse admission in connection with measures taken in response to public and resident health and safety concerns or to persons attempting to enter without a proper purpose. Certain independent living units might, from time to time, be made available for lease to individuals and couples of the required age of admission but are not Residents pursuant to a Residency

Agreement with attendant benefits such as guaranteed access to health care services and eligibility for benevolence support.

Subject to the projected needs of existing residents and in the sole discretion of Management, the Nursing Center, Williamsburg Landing Assisted Living and Williamsburg Landing Memory Support Home may be used by persons who are not residents at Williamsburg Landing by paying the rates established for such persons, and entering into a Nonresident Admissions Agreement. In addition, a limited number of non-residents are allowed to use the William A. Doig Health Club and Spa on a membership fee for service basis. From time to time outside groups are permitted to use portions of the facilities provided they (i) are sponsored by one or more of the residents, (ii) involve professional associations or educational institutions affiliated with residential or facility programs, or (iii) serve the interest of the local community and/or residents. Williamsburg Landing also operates a licensed adult day care service on its campus serving both residents and non-resident seniors from the surrounding Williamsburg community.

Any medical director and associated clinic medical professionals and staff may, from time to time, be third party contractors. The on-site medical clinic, in addition to serving residents, may permit access to its care offerings by employees and non-residents.

#### **PROCEDURE FOR RESIDENT TO FILE A COMPLAINT OR DISCLOSE CONCERN**

It is the intent of Williamsburg Landing, Inc. that all Residents entitled to occupying an Independent Living Residential Unit, an Assisted Living Unit, a Memory Support Unit or a Nursing Center Unit pursuant to a Residency Agreement are able to freely and openly express complaints or concerns so that prompt and fair resolution can be accomplished. Complaints or concerns (beneficial suggestions or requests for change) are normally forwarded to the President/CEO or their designee who in consultation (as they deem necessary) with the President of the Residents' Association, the appropriate Residents' Association Committee and/or Residents' Association Council shall seek to resolve the issue.

Complaints resulting from failure to resolve issues in the manner described above may be lodged with the Williamsburg Landing Corporate Board of Directors within 90 days following the failure to resolve the issues. For presentation to the Corporate Board, the resident shall submit the complaint to the President of the Williamsburg Landing Residents' Association who, as member of the Corporate Board, shall present the complaint to the Chair of the Corporate Board, with a copy to the President/CEO, for disposition pursuant to policies and procedures as may be established from time to time by the Corporate Board. The Williamsburg Landing Corporate Board is ultimately responsible for resolving such complaint.

#### **Arbitration**

Unless a Resident exercises the Residents arbitration opt-out opportunity described in the Residency Agreement, a Resident's sole remedy for resolving or deciding any legal dispute, controversy or claim, including any claim for monetary damages, against Williamsburg Landing shall be by binding arbitration in James City County, Virginia, or at such other location that is mutually convenient to Resident and Owner, in accordance with the Rules of the American Arbitration Association currently in effect, as described in the Residency Agreement, provided, such claims and disputes (1) are of a nature or type that can be submitted to arbitration for a decision, (2) cannot be resolved or settled by the parties pursuant to preceding sections or the section above entitled "**Procedure for Resident to File a Complaint or Disclose Concern,**" (3) are not subject to a signed opt out agreement, or (4) are not excluded from being subject to this arbitration provision pursuant to law.

Resident's agreement to binding arbitration is not a condition to a Resident's admission. However, in consideration of entering into a Residency Agreement, a Resident not exercising the arbitration opt-out opportunity provided consents to binding arbitration as the sole remedy as set forth above and the rights, obligations and procedures associated with such arbitration are as described in Section X of Article VIII of

the Residency Agreement. Resident further acknowledges that in agreeing to arbitration, Resident waives his or her rights to have any dispute or claim decided in a court of law before a judge or a jury, or otherwise to avail himself or herself of legal remedies other than binding arbitration.

## **OTHER MATTERS**

### **Covid-19**

Early in the onset of the Covid-19 pandemic, Williamsburg Landing developed protocols for the protection of its residents and staff and the community. Williamsburg Landing has mapped out a projected, three-phase reopening plan with the current plan being posted on its resident and public websites. As of the date of this Disclosure Statement, Williamsburg Landing is observing a revised version of its Phase 3 Operational Plan.

### **General**

Future revenues and expenses of Williamsburg Landing and the ability of Williamsburg Landing to generate sufficient revenues from its Facilities to meet its obligations under the Residency Agreements are subject to conditions which may change in the future to an extent that cannot be determined at this time. No entity or person other than Williamsburg Landing is responsible for any obligation of Williamsburg Landing. The feasibility of the continuing care facility is dependent upon the ability of Williamsburg Landing to attract sufficient residents and to maintain substantial occupancy by residents who can pay the full amount of the Monthly Service Fee. Williamsburg Landing sets its fees based on, among other things, forecasts and actuarial tables.

### **Fluctuation in Interest Rates**

A substantial portion of Williamsburg Landing's non-operating revenues is expected to come from interest earnings on the investment of available funds. The amount of such interest earnings will fluctuate with changes in prevailing interest rates.

### **Increases in Medical Cost.**

Unless otherwise agreed by Williamsburg Landing and a resident in special circumstances, and subject to the approval of the Medical Director for the Nursing Center or its designee, Williamsburg Landing is obligated to provide residents of independent living units and assisted living units with nursing care and certain other types of long-term care in the Nursing Center for up to 10 days per year at the shared bath rate, without additional charge. Substantial unanticipated increases in the cost of providing nursing care and other types of long-term care could have an adverse impact on Williamsburg Landing.

**Independent Advice. Prospective residents should consult independent legal and tax advisors regarding residency at Williamsburg Landing and the tax and legal implications as would be prudent with any other major financial decision.**

**APPENDIX A**

**FEE SCHEDULE**

## WILLIAMSBURG LANDING 2022 FEE SCHEDULE

Home or Apartment Type	Description	Average Square Feet	0% Refundable Entrance Fee	50% Refundable Entrance Fee	90% Refundable Entrance Fee	Single Occupancy Monthly Fee	Add Second Person Monthly Fee
<b>Edgewood - Homes</b>							
Elizabeth	2 bedroom/den	2,260	\$514,327	\$648,689	\$909,537	\$5,760	\$830
Chickahominy	2 bedroom/den	2,340	\$524,452	\$661,460	\$927,443	\$5,860	\$830
Shenandoah	2 bedroom/den	2,540	\$560,672	\$707,144	\$991,498	\$6,015	\$830
Roanoke	3 bedroom/den	2,620	\$562,933	\$709,995	\$995,494	\$6,090	\$830
Powhatan	2 bedroom/den	2,650	\$567,928	\$716,296	\$1,004,330	\$6,145	\$830
<b>The Moorings - Homes</b>							
Skipper I	1 bedroom/den	1,465	\$303,233	\$382,451	\$536,242	\$4,820	\$830
Skipper II	2 bedroom/den	1,513	\$309,556	\$390,426	\$547,422	\$4,925	\$830
Skipper III	2 bedroom/den	1,634	\$325,495	\$410,527	\$575,608	\$5,090	\$830
Skipper IV	2 bedroom/den	1,634	\$339,262	\$427,894	\$599,954	\$5,090	\$830
Harbour I	2 bedroom	1,442	\$298,472	\$376,447	\$560,434	\$4,765	\$830
Harbour II	2 bedroom/den	1,582	\$316,915	\$399,705	\$527,822	\$5,030	\$830
Binnacle I	2 bedroom	1,476	\$305,512	\$385,325	\$540,268	\$4,835	\$830
Binnacle II	2 bedroom/den	1,651	\$328,562	\$414,397	\$581,031	\$5,100	\$830
Mariner I	3 bedroom	2,273	\$407,814	\$514,354	\$721,183	\$5,200	\$830
Mariner II	3 bedroom/den	2,448	\$429,793	\$542,073	\$760,049	\$5,290	\$830
<b>Boatwright Circle - Homes</b>							
Skipjack	2 bedroom/den	1,623	\$421,472	\$531,579	\$745,336	\$5,455	\$830
Schooner	2 bedroom/den	1,716	\$440,686	\$555,812	\$779,313	\$5,595	\$830
Seafarer	2 bedroom/den	1,899	\$482,649	\$608,736	\$853,519	\$5,750	\$830
Sandpiper	2 bedroom/den	1,955	\$486,766	\$613,930	\$860,800	\$5,815	\$830
Sandpiper II	2 bedroom/den	2,084	N/A	\$684,413	\$925,638	\$5,980	\$830
<b>Bluffton Ridge:</b>							
Crestwood	3 bedroom/den	2,561	N/A	\$755,507	\$983,055	\$5,995	\$830
<b>Second Person Fee:</b>							
			\$17,206	\$21,814	\$28,725		



## WILLIAMSBURG LANDING 2022 FEE SCHEDULE

Home or Apartment Type	Description	Average Square Feet	0% Refundable Entrance Fee	50% Refundable Entrance Fee	90% Refundable Entrance Fee	Single Occupancy Monthly Fee	Add Second Person Monthly Fee
<b>Earl's Court - Luxury Apartments:</b>							
Allegheny	2 bedroom/den	1,810	\$381,746	\$481,475	\$675,082	\$5,550	\$830
Piedmont	2 bedroom/den	1,870	\$392,697	\$495,284	\$694,445	\$5,620	\$830
Tidewater	2 bedroom/den	1,900	\$399,648	\$504,052	\$706,741	\$5,645	\$830
<b>River Court - Apartments:</b>							
Windjammer (1 <sup>st</sup> FL)	2 bedroom	1,268	\$283,908	\$358,078	\$502,066	\$4,420	\$830
Ensign (2 <sup>nd</sup> FL)	2 bedroom	1,268	\$287,336	\$362,529	\$508,308	\$4,420	\$830
<b>The Landing Building - Apartments:</b>							
Clipper A	1 bedroom	1,068	\$217,161	\$273,892	\$384,028	\$4,645	\$830
Clipper B	1 bedroom	900	\$185,744	\$234,268	\$328,470	\$4,350	\$830
Clipper C	1 bedroom	790	\$168,056	\$211,959	\$297,190	\$4,175	\$830
Spinnaker A	2 bedrooms	1,387	\$306,323	\$386,349	\$541,706	\$4,910	\$830
Spinnaker B	2 bedrooms	1,134	\$272,022	\$343,084	\$481,044	\$4,815	\$830
Spinnaker C	2 bedrooms	1,500	\$329,329	\$415,365	\$582,389	\$5,055	\$830
Garden Apt 1A	1 bedroom	645	\$153,153	\$193,163	\$270,837	\$3,995	\$830
Garden Apt 1B	1 bedroom	738	\$175,111	\$220,856	\$309,665	\$4,105	\$830
Garden Apt 1C	1 bedroom/den	850	\$187,011	\$235,867	\$330,711	\$4,195	\$830
Garden Apt 2A	2 bedroom	955	\$218,738	\$275,882	\$386,819	\$4,695	\$830
Garden Apt 2B	2 bedroom	980	\$225,609	\$284,546	\$398,968	\$4,730	\$830
Garden Apt 2C	2 bedroom/den	1,025	\$226,036	\$285,087	\$399,724	\$4,735	\$830
Second Person Fee:			\$17,206	\$21,814	\$28,725		

Entrance Fee selections are limited for ages 86 or above at the time of occupancy. Age restrictions apply to the youngest member of the household.

- Age 90 and above are limited to a 0% Entrance Fee refund option only.
- Age 86 and above are limited to a 0% or 50% Entrance Fee refund option only.

Certain residences may have a premium rate due to location and/or modifications.

Monthly Fees are stated at 2022 rates and will be subject to periodic adjustment.

<b><u>Assisted Living (Woodhaven Manor):</u></b>					
<b>Apartment Type</b>	<b>Description</b>	<b>Av. Sq. Ft.</b>	<b>0% Ent. Fee</b>	<b>50% Ent. Fee</b>	<b>Monthly Service Fee – Transfer from IL*</b>
Model B	Studio	353	\$43,463	\$71,466	\$5,045
Model C	1 bedroom/1 bath	426	\$47,727	\$78,466	\$6,015
Model D	1 bedroom/1 bath	489	\$51,544	\$84,744	\$6,660
Model E1	1 bedroom/1 bath	523	\$53,127	\$87,351	\$6,830
Model E2	1 bedroom/1 bath/den	523	\$53,127	\$87,351	\$6,830
Model F	1 bedroom/1 bath	546	\$56,572	\$93,005	\$7,020
Model G	1 bedroom/1 bath	584	\$57,669	\$94,821	\$7,210
Model H	1 bedroom/bath/den	624	\$57,838	\$95,098	\$7,320
Model I	1 bedroom/1 bath	638	\$57,974	\$95,235	\$7,440
Model J	1 bedroom/1 bath	665	\$61,118	\$100,487	\$7,550
Model K	1 bedroom/1 bath	680	\$68,695	\$112,945	\$7,695
Model L	1 bedroom/2 bath/den	752	\$68,956	\$113,646	\$8,170
Model M	2 bedroom/2 bath/den	779	\$69,396	\$116,117	\$8,180
Model N	2 bedroom/2 bath	801	\$70,823	\$117,764	\$8,345
Model O	2 bedroom/2 bath	860	\$71,372	\$119,136	\$8,530
Model P	2 bedroom/2 bath/den	1,090	\$73,513	\$120,564	\$10,330
Second Person Entry Fee			\$7,471	\$11,206	
Second Person Monthly Service Fee					\$1,665

\*-Monthly fees shown are at care level 1 and include 3 meals per day per person, local phone, cable and laundry service.

-For those needing Level 2 services, add \$610 (per person) to the monthly service fees.

-For those needing Level 3 services, add \$1,370 (per person) to the monthly service fees.

<b><u>Memory Support Home (Woodhaven House):</u></b>					
<b>Contract Type</b>	<b>Description</b>	<b>Av. Sq. Ft.</b>	<b>0% Ent. Fee</b>	<b>50% Ent. Fee</b>	<b>Monthly Service Fee</b>
Resident Contract	1 bedroom/1 bath (Private)	295	\$25,129	\$41,315	\$8,345
Internal Resident Transfer	1 bedroom/1 bath (Private)	295	Incl.	Incl.	\$8,345

<b><u>Nursing – Long Term/Skilled Care (Woodhaven Hall):</u></b>		
<b>Contract Type</b>	<b>Description</b>	<b>Daily Rate</b>
Resident	Private	\$395
Resident	Shared bath	\$350

**APPENDIX B1**

**FORM OF RESIDENCY AGREEMENT  
FOR INDEPENDENT LIVING RESIDENTIAL UNIT**

**WILLIAMSBURG LANDING  
RESIDENCY AGREEMENT  
FOR INDEPENDENT LIVING RESIDENTIAL UNIT**

between

**Williamsburg Landing, Inc.  
("Owner")**

and

\_\_\_\_\_  
\_\_\_\_\_

("Resident", whether one or more)

**Residency Agreement Date:** \_\_\_\_\_

**Initial Independent Living Residential Unit Number:** \_\_\_\_\_

**Type Unit:** \_\_\_\_\_ (does/does not include garage)

**Location:** \_\_\_\_\_

**Entrance Fee Plan:**

90% Refundable Entrance Fee    50% Refundable Entrance Fee    0% Refundable Entrance Fee<sup>1</sup>

<b>Entrance Fee Under Applicable Entrance Fee Plan</b>	\$	
<b>Plus Second Person Fee</b>	\$	
<b>Less: Misc. Credits</b> _____	\$	
<b>Total Entrance Fee</b>	\$	

**Minus Prior Deposit(s):**

<b>Future Residency List Fee (Payment Date)</b> _____	\$	
<b>Ready Status Fee (Payment Date)</b> _____	\$	

<b>Balance of Entrance Fee due on Residency Agreement Date</b>	\$	
--	----	--

A fee of \$1,000.00 per person previously paid by Resident to Owner (the "Admissions Processing Fee") includes a portion of the costs of the required physical examination(s) of Resident and other expenses assessed by Owner, is not part of or credited against the Entrance Fee and, as such, is nonrefundable unless the Resident is not accepted for admission.

**Effective Occupancy Date:**

To Be Entered When Established: \_\_\_\_\_

<b>Initial Monthly Service Fee<sup>2</sup></b>	\$	
<b>Less: Credit if Resident Elects Reduced Meal Plan Option</b>	\$	
<b>Total Initial Monthly Service Fee</b>	\$	

<sup>1</sup> NOT AVAILABLE FOR RESIDENTIAL UNITS IN BLUFFTON RIDGE OF FOR SANDPIPER II UNITS IN BOATWRIGHT CIRCLE

<sup>2</sup> THE INITIAL MONTHLY SERVICE FEE IS AN ESTIMATE BASED UPON THE MONTHLY SERVICE FEE(S) IN EFFECT ON THE DATE OF THE EXECUTION OF THIS AGREEMENT. THE INITIAL ACTUAL MONTHLY SERVICE FEE(S) AND CREDIT(S) WILL BE IN THE AMOUNT OF THIS ESTIMATE UNLESS RESIDENT IS OTHERWISE NOTIFIED IN WRITING ON OR BEFORE THE EFFECTIVE OCCUPANCY DATE IS DETERMINED, SUBJECT TO INCREASE OR DECREASE SUBSEQUENT TO THE EFFECTIVE OCCUPANCY DATE AS PROVIDED IN THIS AGREEMENT.

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**This RESIDENCY AGREEMENT** (the “Agreement”) is made on the date shown on the cover page between WILLIAMSBURG LANDING, INC., a Virginia non-profit corporation (“Owner”), and the person or persons listed on the cover page as Resident.

Owner operates “Williamsburg Landing,” a Continuing Care Retirement Community (CCRC) in James City County, Virginia, which provides housing and certain services for its residents.

Resident has applied for residency at Williamsburg Landing and submitted a Future Residency Application (“Future Residency Application”), a copy of which is attached and made a part of this Agreement. Owner, by the execution of this Agreement, has accepted the Future Residency Application, subject to the terms of this Agreement.

Owner and Resident, in consideration of the mutual covenants, agreements and undertakings set forth below, agree as follows:

**ARTICLE I.  
INDEPENDENT LIVING RESIDENTIAL UNIT**

A. Independent Living Residential Unit. The initial independent living residential unit selected by Resident and to which Resident is assigned is shown on the cover page of this Agreement, and Resident shall have the privilege of occupying the agreed upon residential unit or any other residential unit to which Resident is at any time assigned (the “Residential Unit”) so long as Resident meets the terms and conditions of this Agreement and conforms to the policies and procedures of Owner. Owner agrees to furnish and maintain, at Owner’s expense, the following for the Residential Unit:

- (1) Heating and air conditioning units with individually controlled thermostats
- (2) Smoke detectors
- (3) Emergency response system
- (4) Microwave with stove and hood or cooktop and oven
- (5) Refrigerator
- (6) Dishwasher
- (7) Garbage disposal in kitchen sink
- (8) Washers and Dryers
- (9) Residential Elevator (The Bluffton Ridge Residential Units only)

In addition, Owner will furnish floor coverings as determined by Owner. Replacement of floor coverings is at the sole discretion of Owner. All other furnishings shall be provided and maintained by Resident.

B. Change of Residential Unit.

(1) Request for Change by Resident. Resident may request a change of the Residential Unit (i) subject to the availability of an alternate residential unit (the "Alternate Unit"), and (ii) in accordance with Owner's policies in effect from time to time, including, without limitation, payment to Owner of a refurbishment fee and other costs. Upon Owner's approval, Resident's current Residential Unit shall be offered for reoccupancy. Upon receipt from a new resident of the then current Entrance Fee for the vacated Residential Unit, the change to the Alternate Unit shall become effective subject to the following:

- a. First Change. If the change of Residential Unit is the first change by Resident, then the lesser of: (i) the entrance fee for Resident's "Entrance Fee Plan" in effect (without deduction for any entrance fee credits or other incentives then in effect) for the Residential Unit being vacated by Resident on the date that Residential Unit is occupied by a successor resident; or (ii) the Entrance Fee previously paid by Resident (as reduced by any credits provided, but without taking into consideration any reduction for amortization under the applicable Entrance Fee Plan), shall be applied against the Entrance Fee for the same Entrance Fee Plan then in effect for the Alternate Unit. Resident shall pay to Owner prior to occupancy of the Alternate Unit any deficit between the entrance fee for the Alternate Unit and such lesser amount. The excess, if any, shall be refunded to Resident after it is reduced by 2% per full or partial month of occupancy after the "Effective Occupancy Date" (as defined in Section A of Article III) up through and including the applicable number of full or partial months of amortization under Resident's Entrance Fee Plan after the Effective Occupancy Date until the remaining amount of the refund of the excess, if any, is reduced to the percentage of said excess corresponding to the Resident's Entrance Fee Plan.
- b. Subsequent Changes. If the change of Residential Unit is the second or subsequent such change by Resident, the lesser of: (i) the Entrance Fee for Resident's Entrance Fee Plan in effect (without deduction for any entrance fee credits or other incentives then in effect) for the Residential Unit being vacated by Resident on the date that Residential Unit is occupied by a successor resident; or (ii) the Entrance Fee previously paid (as reduced by any credits provided) by Resident without any reduction for amortization under the applicable Entrance Fee Plan but as adjusted by all additional entrance fees paid or refunds made in connection with previous relocations, shall be applied against the Entrance Fee for the applicable Entrance Fee Plan then in effect for the Alternate Unit. Resident shall pay to Owner prior to occupancy of the Alternate Unit any deficit between the entrance fee for the Alternate Unit and such lesser amount. If there is any excess, that excess shall be refunded to Resident after it is, with respect to the period of occupancy in an Independent Living Residential Unit, reduced by 2% and, with respect to the period of occupancy as a permanent resident in an

Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per full or partial month of occupancy after the Effective Occupancy Date of the initial Residential Unit occupied by Resident up through and including sufficient full or partial months after such Effective Occupancy Date until the remaining amount of the refund of the excess, if any, is reduced to a percentage of said excess corresponding to Resident's applicable Entrance Fee Plan.

- c. The revised Entrance Fee computed in "a" or "b" described above, as applicable, is hereinafter referred to as the "Adjusted Entrance Fee." Refunds of the Adjusted Entrance Fee, if any, shall be in accordance with Article VI of this Agreement. All amounts not refunded shall be retained by Owner.
- d. Resident shall also pay Resident's relocation expenses and the administrative fee then in effect to compensate Owner for such relocation.

(2) Relocation to Another Residential Unit by Owner. Owner may require Resident to move to another residential unit if such a move has been recommended by Owner, in consultation with Resident's private physician, for the health or safety of Resident. Such relocation shall be at the expense of Resident, but without any increase of the Entrance Fee. The Entrance Fee previously paid by Resident shall be applied as set forth in subsections B(1)a or B(1)b of this Article I above except that no deficit shall be paid by Resident.

(3) Transfer Made by One of Two Joint Occupants. In the event that one of two joint occupants of the Residential Unit discontinues the occupancy of the Residential Unit for any reason, the remaining Resident may continue to occupy the Residential Unit as a single occupant, paying the "Monthly Service Fee" (as described in Section C of Article III of this Agreement) on the basis of single occupancy, or the remaining Resident may move to a smaller residential unit when one becomes available, in which case adjustments and charges shall be made in accordance with subsection B(1) of this Article I above.

## **ARTICLE II. SERVICES PROVIDED**

A. Residential Services Provided by Owner. Owner shall furnish the following services to all residents of Williamsburg Landing, the costs of which shall be covered by the Monthly Service Fees, except where specifically noted:

(1) Maintenance and Repairs. Owner will perform necessary repairs, maintenance and replacement of its own property and equipment, the common areas of Williamsburg Landing and the exterior and interior of the residential units. Repairs, maintenance and replacement of Resident's own property will be the responsibility of Resident.

(2) Security. Owner will equip the Residential Unit with an emergency response system which will be monitored on a 24 hour basis and an automatic smoke alarm. Owner will staff a security station and will patrol the grounds on a scheduled basis.

(3) Meals. Owner will operate at least one dining facility for three meals per day (excluding Sundays on which day only 1 meal is served for Independent Living Residents); included in the Monthly Service Fee is 1 meal per day for each Resident. Other than Residents in the Nursing Center and the Assisted Living Center, all Residents may elect one of two other meal plan options: (i) having only 20 meals per month and receive a credit against the Monthly Service Fee, but for an additional charge, the Residents may elect to increase that number and receive 2 or 3 meals per day, or (ii) receive meal services pursuant to Owner's Declining Balance Meal Plan and in doing so receive a credit against the Monthly Service Fee (the "Declining Balance Meal Plan"). Under the Declining Balance Meal Plan, the Owner will establish a fixed quarterly amount that may be applied to Resident's meal purchases utilizing a declining dollar balance. These fixed amounts are designated as "Declining Balance Dining Dollars" and may be used in any of the dining venues at Williamsburg Landing for any menu item or buffet. Each menu item and buffet will have a dollar value listed on the menu, posted at the dining location or set forth in writing in a description of the Declining Balance Meal Plan; however, Declining Balance Dining Dollars cannot be used for alcohol, store purchases and catering. If there is more than one Resident under this Agreement and one elects to use the Declining Balance Meal Plan, then the other Resident is required to be on the same meal plan. Declining Balance Dining Dollars may be used for guest meals, but may not be used for food for other residents. Meal purchases in excess of the quarterly Declining Balance Dining Dollars allowance will be charged to the Resident's monthly statement after the end of each quarter. Unused Declining Balance Dining Dollars are forfeited at the end of each quarter for which they are provided. To switch among meal plans, Resident must provide not less than thirty (30) days' notice prior to the beginning of the period of the applicable plan; provided, however, the plan change will not occur until the end of the plan period then in effect. Private dining facilities will be available to Resident to be used on a reserved basis at an additional charge to him. Special diets, as may be prescribed by Resident's physician, will be provided for Resident and Owner, at its discretion, may charge Resident the expense.

(4) Scheduled Transportation. Owner will provide scheduled transportation from Williamsburg Landing to local shopping areas and events. Transportation for medical treatment in the local Williamsburg area will be provided by Owner if Resident is unable to furnish Resident's own transportation. Transportation for other personal needs may be provided at an additional charge.

(5) Planned Activities. Owner will coordinate special events which may include such items as concerts, tours and cultural, social and athletic events. Additional charges may apply for participation in these activities.

(6) Management Services. Owner will provide professional management services to the community.

(7) Buildings and Grounds. Owner will maintain the common areas of all buildings and the grounds including the lawns, walkways and driveways.

(8) Utilities. Owner will furnish water, sewer, heat, light, power, and air conditioning for the residential units located in the Landing Building. Water and sewer for residential units located in the River Court Apartments, Boatwright Circle, Edgewood and Earl's Court areas of Williamsburg Landing will be furnished at Owner's expense and all other utilities furnished to such residential units shall be at the expense of Resident. All utilities furnished to residential units at the Mooring Houses area and Bluffton Ridge area shall be at the expense of Resident. Owner will provide for access to basic cable television but Resident will pay for telephone service, any telephone equipment provided, internet access and premium cable television channels, if utilized.

(9) Common Facilities. Resident may use, in common with others, facilities such as dining rooms, lounges and lobbies, chapel, library, swimming pool, social and recreation rooms, shops, and all other common facilities designated by Owner for resident use. Common facilities for which additional charges will be made include any shops providing services such as beauty parlors and barber shops and facilities requiring an attendant, and any rooms or accommodations provided for the overnight accommodation of guests. An additional charge may also be made for supplies used in connection with recreational and social activities.

(10) Housekeeping. Owner will clean the Residential Unit every other week.

(11) Taxes. Owner will pay all real and personal property taxes assessed against Owner.

**B. Health Care Services Provided.**

(1) Health Care Offered by Owner. The following health care services will be provided by Owner and included in the Monthly Service Fee:

- a. Emergency call system
- b. An Outpatient Clinic providing:
  - (i) initial health screenings for new Residents (weight check, blood pressure screening, nurse consultation)
  - (ii) initial one time nutrition counseling for new Residents (subsequent counseling is at Resident's expense)
  - (iii) blood pressure checks
  - (iv) phlebotomy service
  - (v) scheduled nurse consultation

- c. Subject to the review and approval of the Medical Director for the Nursing Center or its designee and the Medical Transfer procedures provided for in Article IV below and provided that Resident is an occupant of an Independent Living or Assisted Living Center Residential Unit during that calendar year, up to ten (10) days of care in the Nursing Center per calendar year (non-cumulative from year to year) on a private room (shared bath) basis.

Additional stays in the Nursing Center beyond such ten (10) days per calendar year (non-cumulative from year to year) of care, or stays in the Nursing Center that do not qualify for such ten (10) days, will be at Resident's expense at the then current rate for the applicable private room. For care in other than a private room (shared bath) basis during such ten (10) days, Resident will be charged the per diem private room rate, less the private room (shared bath) rate.

Owner operates on site the Williamsburg Landing Health and Rehabilitation Center (Woodhaven Hall), a nursing facility licensed by the Commonwealth of Virginia as a nursing home (the "Nursing Center"). Nursing care provided by Owner shall be limited to that care given in the Nursing Center or in another part of Williamsburg Landing designated by Owner. Resident may employ private duty nurses and sitters at Resident's expense, but only after approval by Owner of the nurses and sitters and/or firm providing such nurses and sitters and subject to policies and procedures of Owner. Owner assumes no responsibility for overseeing such private duty providers of services.

Owner operates Woodhaven at Williamsburg licensed by the Commonwealth of Virginia which includes Williamsburg Landing Assisted Living, an assisted living facility (the "Assisted Living Center") and Williamsburg Landing Memory Support Home (the "Memory Support Home"). Typical services to be provided in the Assisted Living Center and Memory Support Home are as follows:

- a. Three nutritious meals daily, including special diets as may be prescribed by Resident's physician
- b. Assistance with activities of daily living
- c. Assistance with problems resulting from loss of speech, hearing or sight
- d. Administration of medication
- e. Assistance in bathing
- f. Special treatments such as blood pressure checks
- g. Availability of private duty services; such services to be paid for by Resident after approval by Owner of persons and firms involved
- h. Assistance in maintenance and housekeeping to provide a clean, safe environment

i. Specialized activities programs

Levels of Service. In the event Resident transfers to the Woodhaven at Williamsburg Landing Assisted Living Center or Memory Support Home, Resident will be assigned to one of three levels of service (Level I, II, or III) based on an assessment using the Uniform Assessment Instrument (UAI). Periodic reassessments of Resident's condition will be conducted. Changes in level of service will result in an automatic adjustment in the Monthly Service Fee based on the then current Fee Schedule.

Medical Director. Owner will designate as a medical director one or more licensed physicians who shall be responsible for conferring with Owner on the access to and delivery of the health care services at the Williamsburg Landing Assisted Living Center, Memory Support Home and Nursing Center (each a "Medical Director") and shall be available to Owner for advice and consultation.

(2) Additional Health Care Services. Additional health care services will be provided or made available through independent or related contractors approved by Owner. Resident will be responsible for paying the rates charged for any of these additional services utilized. Typical services to be provided are as follows:

- a. Primary care physician services
- b. Home health care
- c. Licensed nurses
- d. Nurses aides for companion care or assistance with activities of daily living
- e. Homemakers
- f. Physical therapists
- g. Occupational therapists
- h. Speech therapists

(3) Release of Resident Information. Resident hereby acknowledges and agrees that the Resident may refuse to allow the Facility to release any information regarding the Resident's personal affairs and records to any individual outside of the Facility, except when such release is required or permitted by applicable law or in the case of a transfer of the Resident outside the Facility.

C. Additional Services. Owner may offer other services in addition to those listed specifically in this Article II. If Resident chooses to accept those additional services, Resident agrees to pay all applicable additional charges.

D. Notice of Change in Services Provided or Fees. Thirty (30) days prior written notice shall be provided to Resident concerning any change that decreases the scope of

services described in this Article II. A listing of charges for services provided by Owner that are not covered by the Monthly Service Fee will be available to all Residents. Thirty (30) days prior written notice shall be provided to Resident concerning increases in these charges or Monthly Service Fees.

### **ARTICLE III. FEES**

A. Effective Occupancy Date. The Effective Occupancy Date is the earliest date when: (i) at least one of the Residents commences occupancy at Williamsburg Landing in any unit; or (ii) the selected independent living residential unit is available for immediate occupancy, regardless of whether the unit is physically occupied (the "Effective Occupancy Date"). Subject to the preceding sentence, the Effective Occupancy Date shall be mutually agreed upon and listed on the cover page of this Agreement. All applicable fees (See Sections B and C of this Article III) will commence on the Effective Occupancy Date. The foregoing is subject to the seven (7) day right of rescission as set forth in Section V of Article VIII below.

B. Entrance Fee. In consideration of Owner making the Residential Unit and services available to Resident as described above, Resident agrees to pay an entrance fee in the amount shown on the cover page of this Agreement (the "Entrance Fee") in the following manner:

- Resident shall make partial payment(s) of the Entrance Fee prior to the Residency Agreement Date; and
- the balance of the Entrance Fee is payable in full on or before the Residency Agreement Date.

There are multiple Entrance Fee Plans available according to the terms below. An Entrance Fee Plan must be declared at the Residency Agreement Date and is designated on page one of the Agreement. The selection of the Entrance Fee Plan may not be changed by Resident after the Effective Occupancy Date. Detailed terms for any Entrance Fee refunds are outlined in Article VI and Section B of Article I of this Agreement.

- The 0% Entrance Fee Plan accrues to Owner at a rate of, with respect to the period of occupancy in an Independent Living Residential Unit, 2% and, with respect to the period of occupancy as a permanent resident in an Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per month beginning with the first day of the month of the Effective Occupancy Date or portion thereof until the entire Entrance Fee paid has been accrued. Prior to such full accrual by Owner, Resident may be due a refund of the Entrance Fee paid by the Resident less a percentage thereof equal to 2% times the number of months (or partial months) of occupancy, less any costs owed Owner by Resident, and less any amount necessary to restore the Residential Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI and



Section B of Article I for specific refund information. The 0% Entrance Fee Plan is not available for Residential Units in Bluffton Ridge.

- The 50% Entrance Fee Plan accrues to Owner at a rate of, with respect to the period of occupancy in an Independent Living Residential Unit, 2% and, with respect to the period of occupancy as a permanent resident in an Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per month beginning with the first day of the month of the Effective Occupancy Date or portion thereof until 50% of the Entrance Fee has been accrued. Thereafter, any refund to Resident will be limited to 50% of the Entrance Fee originally paid by the Resident less a sum equal to any costs owed Owner by Resident, and less any amount necessary to restore the Residential Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI and Section B of Article I for specific refund information.
- The 90% Entrance Fee Plan accrues to Owner at a rate of, with respect to the period of occupancy in an Independent Living Residential Unit, 2% and, with respect to the period of occupancy as a permanent resident in an Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per month beginning with the first day of the month of the Effective Occupancy Date or portion thereof until 10% of the Entrance Fee has been accrued. Thereafter, any refund to Resident will be limited to 90% of the Entrance Fee originally paid by the Resident less a sum equal to any costs owed Owner by Resident, and less any amount necessary to restore the Residential Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI and Section B of Article I for specific refund information.

(1) Escrow Account. Prior to the Effective Occupancy Date, all sums (except less \$1000 per each Resident held by Owner, which amounts are non-refundable except if Resident dies before occupying the Residential Unit, or is later precluded through illness, injury or incapacitation from becoming a resident and less the Admissions Processing Fee) received from Resident for entrance fees or portions of entrance fees pursuant to this Agreement will be deposited by Owner into an escrow account maintained at a financial institution designated by Owner (the "Escrow Agent"), pursuant to the terms and provisions of an escrow agreement ("Escrow Agreement") by and between Owner and the Escrow Agent. All such escrowed sums ("Escrow Deposits") will remain the property of Resident until released to Owner as hereinafter provided. No interest shall be due or payable to Resident on such sums and all interest earned on such sums is to be paid to Owner. All Escrow Deposits shall be released to Owner on the Effective Occupancy Date when Owner presents to the Escrow Agent evidence that: (i) at least one of Residents has commenced occupancy at Williamsburg Landing in any unit; or (ii) the selected independent living residential unit is available for immediate occupancy. If Resident dies before occupying the Residential Unit, or is later precluded through illness, injury or incapacitation from becoming a resident under the terms of this Residency Agreement, Resident shall receive a refund of the Escrow Deposits, without

interest, reduced by those costs, if any, specifically incurred by Owner at the request of Resident including, but not limited to, costs of changes to the Residential Unit as set forth in a separate written Addendum signed by both Resident and Owner. Notwithstanding the aforesaid, all Escrow Deposits shall be released if such Escrow Deposits have not otherwise been released within three years after placement in escrow or within three years after construction has started, whichever is later or if the construction of the facility, not yet operating is stopped indefinitely before the facility is completed.

(2) Refund of Entrance Fee. Refunds of the Entrance Fee to Resident shall be pursuant to the terms and provisions of Article VI and Section B of Article I of this Agreement.

C. Monthly Service Fee. Resident shall pay Owner a monthly service fee (the "Monthly Service Fee") for certain services provided to Resident, as more fully described above, and to pay for a portion of the construction and financing costs of Williamsburg Landing. The Monthly Service Fee shall be payable in advance on the first day of each month until the applicable date specified in this Agreement pursuant to Article VI. hereof. The full Monthly Service Fee for the month in which the Effective Occupancy Date occurs shall be due in advance on the Effective Occupancy Date. A prorated credit for the portion, if any, of the month of occupancy from the first day of such month to the Effective Occupancy Date will be applied to the first regular Monthly Service Fee following such month.

The actual Monthly Service Fee for initial occupancy will be established prior to the Effective Occupancy Date. Written notice of any such change to the Monthly Service Fee shall be given to Resident no later than thirty (30) days prior to the Effective Occupancy Date. Subsequent to the Effective Occupancy Date, Owner may increase or decrease the Monthly Service Fee after giving thirty (30) days prior written notice to Resident.

(1) Joint Occupancy of Residential Unit. Owner may maintain different Monthly Service Fees for single and double occupancy of the Residential Unit, and any change in the status of occupancy may result in the appropriate change in Resident's Monthly Service Fee. If the Residential Unit is occupied by more than one Resident, each Resident shall be jointly and severally liable for the Monthly Service Fee.

(2) Reduction of Monthly Service Fee for Extended Absence. In the event of an absence by Resident of more than fourteen (14) consecutive days for a period of visiting, traveling or extended but not permanent stay in a medical institution such as a hospital, Resident may be entitled to a reduction in the Monthly Service Fee at rates determined by Owner pursuant to its policies then in effect. To receive such a reduction, Resident must give at least seven (7) days' prior written notice to Owner, except in the case of unscheduled hospitalization, in which case no notice is required.

(3) Termination of Occupancy by One Joint Occupant. In the event of the termination of occupancy of one joint occupant of the Residential Unit for any reason, effective on the first day of the following month, the Monthly Service Fee charged to the remaining occupant shall be reduced by the then current fee, if any, for the second

resident in the Residential Unit. Any applicable meal credits for single-occupied units will apply according to the then current fee schedule.

D. Other Fees.

(1) Admissions Processing Fee. The Admissions Processing Fee of \$1,000.00 per person previously paid by Resident prior to the execution of this Agreement covered a portion of the costs and expenses incurred by Owner, and as such, is not part of or credited against the Entrance Fee. The Admissions Processing Fee is nonrefundable and becomes the property of Owner upon payment, unless admission is denied by Owner in which event it will be refunded. No interest shall be payable or otherwise credited to Resident on the Admissions Processing Fee.

(2) Second Person Fee. In consideration of Owner making the Residential Unit available for the benefit of an additional person to be included within the definition of Resident, Resident agrees to pay a second person fee in the amount shown on the cover page of this Agreement which fee shall be paid in full on or before the Residency Agreement Date. The second person fee is included within the definition of Entrance Fee and is subject to refund as part of the Entrance Fee pursuant to the terms and provisions of Article VI and Section B of Article I of this Agreement.

(3) Fees For Additional Services. Owner may provide additional services which are not included in the Monthly Service Fee for which an additional charge may be made pursuant to Owner's published fee schedule.

E. Nonpayment of Fees. In the event that payment of the Entrance Fee (including any second person fee) is delayed beyond the Effective Occupancy Date for any reason, Resident will be liable for payment of Monthly Service Fees commencing on the Effective Occupancy Date. A delay of full payment of the Entrance Fee (including any second person fee) beyond thirty (30) days after the Effective Occupancy Date will be considered a voluntary termination of this Agreement by Resident after the Effective Occupancy Date and the terms of Section A of Article VI will apply. Owner may terminate this Agreement for nonpayment of the Monthly Service Fee if such nonpayment is not cured within thirty (30) days of the date Owner gives written notice of the overdue payment to Resident.

F. Marriage or Double Occupancy; Joint and Several Obligations of Co-Residents.

- (1) a. If Resident marries another current resident of Williamsburg Landing and desires to establish co-residency or otherwise desires to cohabitate with another current resident and establish co-residency, subject to availability and Williamsburg Landing's then current policies and procedures, either may terminate their respective Residency Agreement pursuant to the notice of termination provisions of the Residency Agreement to be terminated, receive any refund when due for the terminated Residency Agreement, and execute an addendum to the Residency Agreement not terminated to become a party to the new spouse's or cohabitant's Residency

Agreement. The Monthly Service Fee for the vacated residential unit shall terminate upon (i) termination of the Residency Agreement for which proper and timely notice of termination has been provided and vacancy, and (ii) the co-residents having deposited the applicable second person fee as described in subsection III.D.(2). The Monthly Service Fee for the residential unit retained shall simultaneously be raised to the double occupancy level.

- b. If Resident marries or otherwise desires to cohabitate with a person not a resident of Williamsburg Landing and desires to establish joint residency with that person, (i) that person must submit a Residency Application and such other documentation as Owner may reasonably require in accordance with Williamsburg Landing's then current policies and procedures, and (ii) both Resident and the intended co-resident must submit a then current financial report. Williamsburg Landing's acceptance of this second person shall be contingent upon that person's ability to meet the health, financial and general criteria for admission to Williamsburg Landing. A person qualifying to become, but declining to become, a resident under a Residency Agreement disqualifies that person for residency at Williamsburg Landing. If the intended co-resident does not qualify for independent living residency in accordance with Williamsburg Landing's acceptance policies then in effect, the intended co-resident will not be permitted to establish residency at Williamsburg Landing. If accepted for joint residency, the Resident and intended co-resident will be required to pay the applicable second person fee as described in subsection III.D.(2) above and execute an addendum to this Residency Agreement to provide that the co-Residents will be treated as joint residents. They are thereafter required to pay the Monthly Service Fee for joint residency, with the second person monthly service fee prorated for the first month, if appropriate.
  - c. In addition to the requirements of Section F.(2) below, the addendum to this Agreement to be signed by both residents selecting co-residency under clauses (1)(a) or (b) above is to designate the division calculation of the applicable refund to each upon termination of the Agreement(s) by the last Resident. Notwithstanding such division calculation agreement, the Entrance Fee shall remain subject to Owner's claims and reduction by Owner as provided for in subsection III.G. below.
- (2) If two co-Residents are entering into this Agreement, each agrees to make all necessary provisions to ensure that each Resident will have sufficient financial resources to meet their obligations under this Agreement even if the other Resident leaves Williamsburg Landing by death, withdrawal or otherwise, to include, without limitation, making provision in their respective estate planning documents (whether by will, trust, survivorship, pay-on-

death, beneficiary designation or other designation) to satisfy the continuing obligations of the remaining Resident under this Agreement after the death of the first Resident to die. Further, each Resident hereby agrees (i) to be bound jointly and severally by the terms and conditions hereof, and (ii) that such obligations shall become an obligation of each Resident's estate. Each Resident hereby agrees to provide to Owner from time to time, upon Owner's request, written evidence satisfactory to Owner of the Resident's compliance with the Resident's obligations under this subsection.

G. Benevolence. Notwithstanding the provisions of Section E of Article III above, it is the policy of Owner not to terminate a Resident's occupancy because of financial inability to pay all or part of the Monthly Service Fee and other fees, provided that Resident is otherwise in compliance with the terms of this Agreement and provided, further, that Resident establishes facts to justify a waiver or reduction of the Monthly Service Fee and any other such fees. Such waiver or reduction can be granted, based solely on the opinion of Owner and compliance of the request with the Benevolence policies established by the Board of Directors of Williamsburg Landing, without impairing the ability of Owner to operate Williamsburg Landing on a sound financial basis. To justify a waiver or reduction of the Monthly Service Fee, Resident must prove conclusively to Owner that inability to pay is due to financial reverses over which Resident had no control or is due to depletion of Resident's assets in a reasonable manner by the passage of time. Resident shall not, without Owner's consent, have impaired Resident's ability to meet the financial obligations of this Agreement by reason of expending and/or transferring Resident's income or assets after execution of this Residency Agreement, other than to meet ordinary and customary living expenses.

To the extent that the Monthly Service Fee or other fee(s) are waived or reduced, Owner will have a claim against Resident's remaining estate and a right to set off against any refund of the Entrance Fee to which Resident or Resident's estate may be entitled under this Agreement. Resident hereby agrees that, in consideration of such reduction:

- (1) Resident shall transfer to another residential unit upon request by Owner, if and when available;
- (2) Resident shall not sell or otherwise transfer any real or personal property, financial assets or income without the written consent of Owner;
- (3) Resident shall enter into such agreements, powers of attorney, assignments or transfers as may be required for the purpose of making available to Resident and Owner any other assets of Resident to offset such financial needs;
- (4) Resident shall promptly provide periodic statements of financial condition and copies of income tax returns as may be requested from time to time by Owner; and

- (5) Resident shall notify Owner of any and all assets acquired thereafter through any means whatsoever, and shall assign or pay such property received to Owner in an amount equivalent to the total cumulative monthly or other fee reductions which have been allowed to Resident.

If the conditions of this Agreement for waiver or reduction of the Monthly Service Fee cannot be met, and Resident fails to pay such fee in full, interest may be charged on past due fees and charges and/or Owner may terminate this Agreement as provided above.

#### **ARTICLE IV. MEDICAL TRANSFER**

A. Procedure for Temporary Transfer to the Nursing Center. Temporary transfer of Resident to the Nursing Center will require the review and approval of the Medical Director for the Nursing Center or their designee. In the event of such temporary transfer, Resident shall continue paying the then effective Monthly Service Fee and shall continue to have the right to occupy the Residential Unit. After Resident has received Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care in the Nursing Center, Resident shall pay a per diem charge in addition to the Monthly Service Fee for services received, in accordance with Owner's rates effective at that time for residents of Williamsburg Landing paying the Monthly Service Fee.

B. Procedure for Permanent Transfer to the Nursing Center. Whenever, in the opinion of Owner, a permanent transfer to the Nursing Center is required because Resident is no longer capable of living independently in the Residential Unit or is incapable of either managing Resident's properties or caring for Resident's self or both, Resident shall willingly transfer to the Nursing Center. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident and Resident's personal physician if different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative, and shall take into consideration the physical capacity of the facilities at Williamsburg Landing and the health, welfare, safety, comfort and well-being of Resident and other residents. Failure to transfer to the Nursing Center shall constitute a material breach of this Agreement by Resident and provide good cause for Owner to terminate this Agreement.

If Resident permanently transfers to the Nursing Center, after Resident has used any remaining days of Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care for the year in which Resident is so transferred, Resident shall pay for any nursing or health services in the Nursing Center on a per diem basis in accordance with Owner's rates effective at that time. Effective upon the date of such permanent transfer, Resident shall no longer pay the Monthly Service Fee or, if Resident was a joint occupant of the Residential Unit, the additional fee then in effect, if any, for double occupancy. After the initial calendar year during which such permanent transfer occurs, the ten (10) days per calendar year of care in the Nursing Center previously included in the Monthly Service Fee shall no longer be provided by Owner.

If Resident permanently transfers to the Nursing Center, this Agreement shall not terminate, and if the Residential Unit is jointly occupied, the remaining occupant shall assume all obligations under this Agreement with respect to the Residential Unit. No refund of the Entrance Fee shall be due in connection with the permanent transfer to the Nursing Center of one, both or all occupants of a Residential Unit. If Resident was the sole occupant of the Residential Unit, upon Resident's permanent transfer to the Nursing Center this Agreement shall not terminate, but, within fourteen (14) days after the date of permanent transfer, any personal property of Resident that remains in the Residential Unit shall be removed by Resident's lawfully authorized personal representative and the Residential Unit may be reoccupied by a successor resident or Owner.

C. Procedure for Temporary or Permanent Care in an Alternative Facility. Notwithstanding the procedures outlined in Section A or B of this Article IV above, Owner may provide nursing care required by Resident either in Resident's Residential Unit or by contract in another licensed nursing home facility on a temporary basis if space is not available within the Nursing Center. Resident shall pay for care on the same basis as outlined in Section A or B of this Article IV, except that Resident will not be required to pay more than Resident would be required to pay if space were available in the Nursing Center. Residents who receive care according to this Section C of this Article IV will be offered care in the Nursing Center in such order as Owner deems to be in the mutual best interest of Owner and all such Residents, but prior to any admission of non-residents to the Nursing Center.

D. Procedure for Permanent Transfer to the Assisted Living Center or Memory Support Home. The procedure for permanent transfer to the Assisted Living Center or Memory Support Home will be the same as in Section B in this Article IV above, except the provisions for up to ten (10) days per calendar year (non-cumulative from year to year) of care being included in the Monthly Service Fee shall not apply.

E. Procedure for Transfer to a Medical Institution. If circumstances arise which, in the opinion of Owner, necessitate the transfer of Resident to a hospital or other institutional medical facility, Owner will endeavor to assist Resident in locating an acceptable institution with a non-restrictive environment.

(1) Temporary Transfer to a Medical Institution. In the event that temporary transfer of Resident from Williamsburg Landing to an institutional medical facility is required as described above, Resident shall continue paying the then effective Monthly Service Fee (and additional fee for double occupancy, if applicable) less a credit in accordance with subsection C(2) of Article III.

(2) Permanent Transfer to a Medical Institution. If, in the opinion of Owner, a permanent transfer by Resident to an institutional medical facility is required because Resident is no longer capable of living independently in the Residential Unit or requires a different level of nursing or health care than is available in the Nursing Center, Resident shall transfer to such institutional medical facility as the Medical Director for the Nursing Center or their designee may direct. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident, Resident's personal physician if

different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative and shall take into consideration the health, welfare, safety comfort and well-being of Resident and all residents of Williamsburg Landing.

If Resident transfers to an institutional medical facility as described above and such transfer is deemed permanent, this Agreement shall automatically terminate; provided, however, that the permanent transfer of one occupant of a jointly occupied unit (including joint occupants one or both of whom have permanently transferred to the Nursing Center), shall not effect a termination of this Agreement with respect to the remaining occupant, in which case the remaining occupant shall no longer pay an additional Monthly Service Fee, if any, for joint occupancy of the Residential Unit, if applicable. If Resident was the sole occupant of the Residential Unit, the Residential Unit may be occupied by a successor resident or Owner.

## **ARTICLE V. INSURANCE**

A. Medical Insurance and Long Term Care Insurance. Resident agrees to maintain health insurance coverage under Parts A and B of the Medicare Program. If Resident is not eligible for coverage under Parts A and B of the Medicare Program, Resident agrees to obtain equivalent insurance coverage acceptable to Owner. If Resident had long term care insurance in place at the time of approval for admission and existence of that insurance was considered as part of that Resident's financial approval, then Resident must maintain that insurance or equivalent coverage during the term of this Residency Agreement.

B. Liability and Casualty Insurance. Owner will maintain liability and casualty insurance coverage for all buildings, the contents of the common areas and miscellaneous scheduled property as deemed necessary by Owner. In addition, Owner will carry professional liability insurance coverage, boiler and machinery insurance coverage, as deemed necessary by Owner, and business interruption insurance coverage for loss of earnings/rent and extra expenses as deemed necessary by Owner.

C. Resident Provided Insurance. It is the responsibility of Resident to provide all personal property and liability insurance coverage desired by Resident, and Resident is required to secure and maintain in effect at all times a liability, fire and extended coverage policy or liability and casualty insurance policy, insuring Resident's tangible personal property against loss or damage by reason of fire or other casualty and protect Owner and Resident with regard to damage to property of others, personal injury and death. Owner's insurance will not protect Resident against theft or destruction of Resident's personal property whether located inside or outside the Residential Unit.

## **ARTICLE VI. TERMINATION AND REFUND**

A. Termination by Resident. Resident may terminate this Agreement at any time, both before and on or after the Effective Occupancy Date, by giving written notice to



Owner. Such written notice shall state a date when termination is to become effective, and at or prior to such date Resident shall vacate and release the Residential Unit. On or after the Effective Occupancy Date, the notice of termination must be given at least one hundred twenty (120) days prior to the date on which Resident desires to terminate this Agreement and Resident shall continue to pay the Monthly Service Fee until the later of one hundred twenty (120) days after the date of such written notice of termination or until the Residential Unit is vacated and released.

The joint occupants constituting Resident of any Residential Unit may, by written notice bearing their joint signatures, at any time terminate this Agreement by delivering to Owner written notice of their intent to do so. Such written notice shall state the date when termination is to become effective and whether either occupant desires to retain the Residential Unit or another residential unit, if available, on a single occupancy basis. If termination is being made after the Effective Occupancy Date, at or prior to the termination effective date, one or both occupants, as the case may be, will move out of the Residential Unit. Such date shall be not less than one hundred twenty (120) days after the date of such written notice. In the event that one occupant elects to remain a resident, this Agreement shall continue in effect with respect to that occupant, with the modification of the Monthly Service Fee specified in Article III. of this Agreement.

B. Termination by Owner. Owner may not terminate this Agreement with Resident without good cause. Good cause shall be limited to: (i) proof that Resident is a danger to himself or others; (ii) non-payment by Resident of the Monthly Service Fee; (iii) repeated conduct by Resident that interferes with other residents' quiet enjoyment of any portion of Williamsburg Landing; (iv) persistent refusal to comply with reasonable written rules and regulations of Williamsburg Landing; (v) a material misrepresentation made intentionally or recklessly by Resident in Resident's application for residency or related materials, regarding information which, if accurately provided, would have resulted in either a failure of Resident to qualify for residency or a material increase in the cost of providing to Resident the care and services provided under the Residency Agreement; or (vi) material breach by Resident of the terms and conditions of the Residency Agreement.

If Owner seeks to cancel a residency agreement and terminate Resident's occupancy, Owner shall give Resident written notice of, and a reasonable opportunity to cure within a reasonable period, whatever conduct is alleged to warrant the cancellation of the residency agreement.

Upon such termination by Owner for any of the aforesaid reasons, Owner shall provide Resident with a dated and signed statement by the licensee, administrator or CEO of Williamsburg Landing which contains the following information: (a) date of notification of termination and person so notified; (b) reason(s) for termination; (c) action taken by Owner to assist Resident in the discharge and relocation process; (d) date of actual termination and Resident's destination; and (e) in situations which present emergency conditions, such as where Resident presents a risk to the health, safety or welfare of Resident or others, the statement shall contain the above information if appropriate and such statement shall be provided or mailed to Resident within 48 hours from the time of the decision to terminate.

C. Automatic Termination.

(1) Termination by Death. This Agreement shall automatically terminate (i) immediately upon the death of Resident if such death occurs prior to the Effective Occupancy Date; or (ii) if such death occurs on or after the Effective Occupancy Date, this Agreement shall then terminate but subject to the obligation of Resident's estate to pay the Monthly Service Fee until the later of thirty (30) days after such death or until the Residential Unit is vacated and released. In the event of death after the Effective Occupancy Date, the refund provisions of Section G of this Article VI shall govern, provided that the death of one occupant of a jointly occupied unit (including joint occupants one or both of whom have permanently transferred to the Nursing Center) shall not effect a termination with respect to the other occupant.

(2) Termination Prior to Occupancy. This Agreement shall automatically terminate prior to the Effective Occupancy Date as provided in the preceding paragraph or if either Resident's mental or physical health or financial condition changes to the extent that such Resident (i) no longer meets the health and financial conditions required for occupancy at Williamsburg Landing; (ii) is no longer capable of living independently in the Residential Unit on the Effective Occupancy Date, as determined by the Medical Director or other qualified medical doctor; or (iii) is unable to perform Resident's obligations in accordance with this Agreement. In the event of such automatic termination prior to the Effective Occupancy Date, the refund provisions of Section F of this Article VI shall govern as if this Agreement had been terminated by Owner.

(3) Termination Prior to Occupancy Pursuant to Statutory Requirements. This Agreement shall automatically terminate upon the legally required release of Escrow Deposits described in subsection B(1) of Article III as follows:

- a. If such Escrow Deposits have not been released within three years after placement in escrow or within three years after construction has started (whichever is later) (but in any event within six years after placement in escrow); or
- b. Upon death of Resident as provided in subsection C(1) of this Article VI; or
- c. If the Residential Unit has not been constructed and the construction of the Residential Unit is stopped indefinitely before the Residential Unit is completed; or
- d. Upon any other termination of this Residency Agreement in accordance with its terms or under applicable law.

(4) Termination Upon Involuntary Closure of Williamsburg Landing. This Agreement shall automatically terminate upon the involuntary closure of Williamsburg Landing for any reason. Upon closure, Resident may be eligible as its sole remedy to receive a portion of the Entrance Fee on a pro-rata basis pursuant to Section G of Article VI, subsequent to Owner's satisfaction of any and all debts, liabilities and fees involved

in such closure, and pursuant to any applicable state or federal laws governing such closure.

D. Release upon Termination.

- (1) Upon the earlier of the vacation and release of the Residential Unit or the termination of this Agreement, Owner shall have the right to take full control of the Residential Unit, and Owner shall be released from any further obligation to Resident except for payment of any refund which may be due under this Agreement.
- (2) Prior to or upon the termination of this Agreement, Resident or Resident's estate shall remove or cause to be removed all of Resident's personal property from Williamsburg Landing, and, upon payment of all sums due to Owner, Resident shall be released from all further obligation to Owner. In the event of failure of Resident to remove all personal property, Resident shall remain liable to Owner for any moving and storage charges incurred by Owner, pursuant to Section E of this Article VI below.

E. Disposition of Personal Property.

- (1) In the event of termination of this Agreement as a result of the death of Resident, within thirty (30) days after the date of death, any personal property of Resident that remains in the Residential Unit shall be removed by Resident's executor, authorized personal representative or administrator or, if no one has qualified or been appointed as executor, authorized personal representative or administrator, by any of Resident's relatives.
- (2) In the event of termination of this Agreement for any reason other than the death of Resident, within fourteen (14) days after the effective date of termination, any personal property of Resident which remains in the Residential Unit shall be removed by Resident or (if applicable) Resident's guardian, conservator, committee, or other authorized personal representative.
- (3) Items not timely removed pursuant to this Section E of Article VI or any other Section of this Agreement may be held in storage by Owner at Resident's expense, but after a period of thirty (30) days, such property may be sold or discarded by Owner. The sale proceeds shall be applied to the satisfaction of any payment due from Resident under this Agreement, the debt and expenses of the storage and sale, and the surplus, if any, shall be paid to the Resident or Resident's executor, authorized personal representative or administrator, or, if no one has been qualified or appointed as executor, authorized personal representative or administrator, to any of Resident's relatives designated by Owner.
- (4) Resident agrees that Owner will not be held liable for misdelivery of personal effects pursuant to this Section E., provided that Owner shall

exercise ordinary care in ascertaining the identity of the person to whom delivery is made.

F. Refund of Entrance Fee Deposits Prior to Effective Occupancy Date. If this Agreement is terminated prior to the Effective Occupancy Date, Owner will refund that portion of Resident's refundable Entrance Fee paid within thirty (30) days after the effective date of such termination reduced by those costs specifically described in subsection B(1) of Article III.

G. Refund of Entrance Fee After Effective Occupancy Date.

- (1) If this Agreement is terminated after the Effective Occupancy Date, by either Owner or Resident, Resident or Resident's estate may be entitled to a refund of a portion of the refundable Entrance Fee as described below. Such refund shall be due within thirty (30) days after the date on which Owner has received from a successor resident full payment of the then applicable entrance fee with respect to the Residential Unit. However, if the successor resident is a current resident of Williamsburg Landing who is relocating to the Residential Unit (and, in certain cases, who may be one of a series of several current residents relocating among independent living residential units), no refund shall be paid to Resident until Owner has received from a new resident of Williamsburg Landing full payment of the then applicable entrance fee with respect to the independent living residential unit previously occupied by a relocating current resident.
- (2) Upon termination of this Agreement and termination of occupancy of the last independent living Residential Unit or Assisted Living Unit or Nursing Center room occupied by Resident, Resident or Resident's estate shall be entitled to a refund computed as follows: (a) if Resident has changed Resident's initial Residential Unit, the adjusted refundable Entrance Fee (determined in accordance with Section B of Article I above) reduced by, with respect to the period of occupancy in an Independent Living Residential Unit, 2% and, with respect to the period of occupancy as a permanent resident in an Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per full or partial month of occupancy after the Effective Occupancy Date for the Residential Unit initially occupied by Resident up through and including sufficient full or partial months after such Effective Occupancy Date until the refund amount is reduced to the applicable percentage of the Adjusted Entrance Fee under Resident's applicable Entrance Fee Plan; or (b) if Resident has not changed Resident's initial Residential Unit, the Entrance Fee paid reduced by, with respect to the period of occupancy in an Independent Living Residential Unit, 2% and, with respect to the period of occupancy as a permanent resident in an Assisted Living Center Residential unit, a Memory Support Home unit or the Nursing Center, reduced by 4%, per full or partial month of occupancy after the Effective Occupancy Date until the refund amount is

reduced to the applicable percentage of the Entrance Fee paid under Resident's applicable Entrance Fee Plan.

- (3) For the purpose of determining the applicable percentage reduction to calculate the portion of the Entrance Fee to be refunded, the independent living Residential Unit, Assisted Living Unit or Nursing Center room shall be deemed to be occupied and the monthly percentage reduction described above shall continue to apply until all personal effects have been removed therefrom.
- (4) Before making any refund, Owner may also deduct any fees or charges due to Owner from Resident under the terms of this Agreement. All amounts not refunded shall become the property of Owner.
- (5) If the Entrance Fee was paid on behalf of two joint residents occupying the Residential Unit (regardless of whether either has permanently transferred to the Nursing Center), then, in the event of the termination of occupancy by one of the joint residents or by Owner, the Entrance Fee shall be deemed to have been paid on behalf of the remaining occupant whether residing in the Residential Unit, an Assisted Living Unit or the Nursing Center, as the case may be, and no refund shall be due by reason of only one of two joint residents terminating occupancy.

#### **ARTICLE VII. PAYMENT OF MONTHLY SERVICE FEES DURING TRANSFERS**

A. Temporary Transfer to the Nursing Center. During a temporary transfer to the Nursing Center, Resident will continue to pay the Monthly Service Fee for the Residential Unit as specified in Section A of Article IV.

B. Permanent Transfer to the Nursing Center, Memory Support Home or Assisted Living Center. Upon the effective date of permanent transfer to either of the Nursing Center, the Memory Support Home or the Assisted Living Center, the Monthly Service Fee for single or double occupancy of the Residential Unit (as appropriate) will cease or be adjusted as provided in Sections B and D of Article IV above; however, failure to remove all personal property from the vacated unit within the required time as specified in Section B of Article IV and Section E of Article VI will result in reinstatement of Monthly Service Fees until all personal property is removed.

C. Voluntary Transfers Between Residential Units. If Resident is transferred voluntarily from one independent living unit to another as specified in subsection B(1) of Article I, Monthly Service Fees will be paid as follows:

- (1) If the new unit to be occupied is vacant with no Monthly Service Fee being collected, Monthly Service Fees on the new unit will commence on the earlier of the date on which Resident takes possession of the unit, or fifteen (15) days from the date the unit is available for occupancy by Resident.

Monthly Service Fees on the unit being vacated will be discontinued on the date the unit is vacated.

- (2) If the new unit to be occupied is occupied by another resident and Monthly Service Fees are being collected from that resident who is leaving Williamsburg Landing, Monthly Service Fees on the new unit to be occupied shall begin on the earlier of:
- a. Seven (7) days after Owner completes renovation work, if any, and notifies Resident that the new unit is available for occupancy;
  - or**
  - b. Resident occupies the new unit.

Monthly Service Fees on the unit being vacated will cease on the date the unit is vacated.

D. Transfer to Another Residential Unit By Owner. If a transfer between residential units is being made by Owner as specified in subsection B (2) of Article I, Monthly Service Fees on the new unit will begin on the earlier of the date on which Resident takes possession of the residential unit, or seven (7) days from the date on which Resident is notified of the transfer decision and that the new unit is ready for occupancy. Monthly Service Fees on the residential unit being vacated will cease on the date the residential unit is vacated.

## **ARTICLE VIII. MISCELLANEOUS**

A. Resident's Covenant of Performance. Resident hereby covenants to perform all of the obligations of Resident set forth in this Agreement, including but not limited to Resident's obligations to pay all fees and charges described in this Agreement. As provided in Section F of Article III above, Resident specifically covenants not to make gifts or expend Resident's personal assets in such a manner as to impair Resident's ability to meet Resident's financial obligations under this Agreement. Resident agrees to pay reasonable attorney's fees to Owner in the event that any suit is brought by Owner to enforce the provisions of this Agreement against Resident or to terminate this Agreement for breach by Resident and Owner prevails.

B. Pets. Resident may be able to keep pets, subject to the "Policies and Procedures" as defined in Section H of this Article VIII that from time to time may be applicable.

C. Increase in Number of Occupants. Without the prior written permission of Owner, no person other than Resident may occupy the Residential Unit except on an occasional basis as permitted by the Policies and Procedures. Guests staying for more than thirty (30) days in a twelve (12) month period must first obtain the permission of Owner, and Owner may charge Resident a guest fee in accordance with Owner's then effective schedule of rates and charges. If such permission is granted, such persons shall acquire no rights or privileges in or under this Agreement.

If Resident desires to have another person (including a relative through marriage or otherwise) live with him or her on a long-term or permanent basis as a qualified resident of Williamsburg Landing, prior permission of Owner must be obtained, the proposed resident must meet the age, mental and physical health and financial requirements for occupancy at Williamsburg Landing, and Owner may require an adjustment of the Monthly Service Fee and the Entrance Fee. In addition, such person may be required to execute this Agreement and submit a Future Residency Application at the date of execution of this Agreement. The adjustment, if any, that would be made to the Monthly Service Fee at the date of execution of this Agreement due to the entry of any additional occupant of the Residential Unit is shown on the cover page of this Agreement. If the proposed additional occupant does not qualify for occupancy at Williamsburg Landing, Resident, if Resident so desires, may terminate this Agreement as provided in Section A of Article VI. Also, if it is intended that an additional person reside with Resident in the limited capacity as a care-giver and not as a resident of Williamsburg Landing, prior permission of Owner must be sought and obtained and Owner may require an adjustment of the Monthly Service Fee and, as a condition of its consent, impose additional contractual requirements regulating such person's occupancy at Williamsburg Landing.

D. Arrangements for Guardianship or Conservatorship. If Resident becomes legally incompetent or is unable to care properly for oneself or one's property, and if Resident has made no other designation of a person or legal entity to serve as Resident's legal guardian, conservator or committee, then (to the extent permitted by applicable law and regulations) Resident hereby agrees that Owner or a duly authorized officer of Owner, may act as Resident's legal guardian, conservator or committee when qualified according to law or may seek the appointment of another guardian, conservator or committee, and in either case Resident agrees that any cost associated with the attempted qualification and service of a guardian, conservator or committee shall be paid by Resident or from the assets of Resident.

E. Character, Health, Credit and Financial Conditions. The information submitted by Resident to Owner in making application for residence at Williamsburg Landing is made a part hereof and includes all information to be provided hereafter pursuant to this Section. Resident acknowledges that Owner will rely on such information in determining eligibility for residency at Williamsburg Landing. This Agreement will be signed by the parties hereto subject to the following specific health and financial conditions:

- (1) Resident shall provide a report of physical examination by Resident's personal physician on forms provided by Owner. Such report shall be reviewed by a medical professional selected by Owner, and in the event that Resident's reported physical condition does not meet the standards of Owner for entry into Williamsburg Landing, upon notice by Owner to Resident, this Agreement shall be rescinded, and Resident shall be entitled to a refund of any portion of the Entrance Fee paid by Resident, as provided herein.
- (2) Prior to the Effective Occupancy Date, Resident shall provide to Owner an updated financial statement in a form provided by Owner. Resident shall

provide to Owner updated financial statements thereafter not less often than once every fifth year following the Effective Occupancy Date. All information so provided shall be confidential and shall not be disclosed to others except to the extent necessary to conduct the business of Williamsburg Landing. Owner may, on or before the Effective Occupancy Date and from time to time thereafter, undertake a credit check, and Resident hereby consents thereto. In the event that Resident's credit or financial condition does not meet the standards of Owner for residents seeking accommodations of the type selected by Resident, Resident shall be given the choice of accepting a less costly residential unit for which Resident is qualified, if available, or terminating this Agreement. In the event of selection of a less costly residential unit, Resident shall be entitled to a refund of any excess Entrance Fee paid, less any amount necessary to cover costs incurred by Owner in connection with the originally selected residential unit. In the event of termination, Resident shall be entitled to a refund of any portion of the Entrance Fee paid.

If Resident has made any material misrepresentations or omission on the Future Residency Application, or in any other financial or medical information submitted to Owner, with respect to the amount of Resident's income, expenses or assets or the condition of Resident's mental and physical health, which misrepresentations or omissions allowed Resident to qualify for acceptance at Williamsburg Landing when Resident would not otherwise have done so, Resident will be given written notice of the alleged misrepresentation or omission and Owner may take all available action in response to such misrepresentation or omission, including termination of this Agreement in accordance with Section B of Article VI.

In conformance with Virginia and federal laws and regulations, Owner shall use its best efforts to provide to the care giving facility to which Resident may transfer any information related to Resident concerning Resident's character, health, credit or financial condition as is necessary to ensure continuity of care and services and Resident hereby consents to such disclosure.

F. Responsibility for Damages. Any loss or damage to real or personal property of Owner caused by the intentional or negligent acts of Resident or Resident's invitees shall be paid for by Resident. If any intentional or negligent act of another resident or the invitee of another resident results in injury, illness or damage to Resident, Owner assumes no responsibility therefor, and Resident hereby releases and discharges Owner from any liability or responsibility for injury or damage to Resident or to Resident's personal property caused by the fault or negligence of other residents or their invitees.

G. Responsibility for Protection of Resident's Property. Owner shall not be responsible for the loss of any personal property belonging to Resident due to theft, fire, or any other cause, unless such property has been specifically entrusted in writing to the care and control of Owner, and then Owner shall only be responsible for the lack of ordinary care in the safeguarding of such property. Resident shall have the responsibility of providing insurance to protect against any such loss.



H. Policies and Procedures. Owner reserves the right to adopt such reasonable policies and procedures for the operation of Williamsburg Landing as Owner, in its sole discretion, determines necessary and to amend such policies and procedures from time to time as Owner may deem necessary ("Policies and Procedures"). Copies of Policies and Procedures shall be available at all times in the administration office of Williamsburg Landing. Such Policies and Procedures are hereby incorporated into this Agreement by this reference, and Resident hereby agrees to abide by such Policies and Procedures.

Resident acknowledges receipt of a copy of the Residents' Manual prior to execution hereof.

I. Reservation of Right to Inspect. Owner reserves the right to enter the Residential Unit, at all reasonable times upon reasonable notice to Resident, for all reasonable purposes, including, but not limited to the following purposes:

- (1) to assure the health, safety and welfare of Resident and other residents of Williamsburg Landing;
- (2) to make repairs and perform maintenance; and
- (3) to comply with rules, regulations and directives prescribed by any legal authorities, local, state or federal, or as may be required by the terms of any loan or financing document.

J. Alterations, Additions, Use and Condition of Residential Unit. Resident shall make no structural alteration, modification or additions or physical changes of any type to the Residential Unit without the prior written consent of Owner. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of Owner. Title to all such alterations, modifications, additions and changes to the Residential Unit shall immediately vest in Owner and remain the property of Owner.

Resident hereby agrees that Resident shall not use the Residential Unit or permit the same to be used contrary to any federal, state or local law or the rules and regulations of Williamsburg Landing or in any manner that would cause the value or the usefulness of the Residential Unit to diminish (ordinary wear and tear excepted) or that would constitute a public or private nuisance or waste. Resident further agrees that Resident will not do or permit anything to be done on or about the Residential Unit that will adversely affect any policies of insurance that are carried by Owner with respect to Williamsburg Landing. At the request of Owner, Resident will remove anything used or kept in the Residential Unit that, in the sole opinion of Owner, is harmful to Williamsburg Landing or disturbing to other residents or that is objectionable to Owner's insurance companies or would cause such insurance companies to increase Owner's insurance rates. Upon termination of this Agreement, Resident, or those acting on Resident's behalf, shall leave the Residential Unit empty of personal property and in good and broom clean condition except for reasonable wear and tear, and Resident shall be liable to Owner for any costs incurred in

restoring the Residential Unit to empty of personal property and in good and broom clean condition except for costs incurred as a result of reasonable wear and tear.

K. No Property Interest. Resident acknowledges that this Agreement grants Resident a contractual right of occupancy at Williamsburg Landing upon the terms and conditions stated in this Agreement and that Resident is not a lessee or owner of a life estate or any other interest in real property by virtue of this Agreement. The rights and privileges granted to Resident by this Agreement are not proprietary and do not include any right, title or interest in any part of the personal property, land, buildings and improvements owned or administered by Owner.

L. Events Beyond Owner's Control which May Prevent Performance. Owner shall not be required to perform any term, condition or covenant in this Agreement so long as such performance is delayed or prevented by Acts of God, pandemic, strikes, lockouts, material or labor shortages or failures, restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of Owner and which, by the exercise of ordinary care Owner is unable, wholly or in part, to prevent or overcome.

M. Subordination to Financing. Owner represents to Resident and Resident acknowledges, that Williamsburg Landing is and may be further encumbered by liens as security for indebtedness incurred in connection with the construction and/or operation of Williamsburg Landing. Resident further acknowledges that Resident's right to occupancy, services and refund of the Entrance Fee pursuant to the terms of this Agreement are subordinate to the rights of all holders of such liens. Resident also agrees that Resident's right to occupancy, services and refund of the Entrance Fee shall be and remain subordinate to any future debt financing for which Owner may hereafter contract.

N. Payment Arrangements Not a Loan. Owner and Resident intend that the payment arrangements under this Agreement compensate Owner for the provision of services pursuant to this Agreement and are not a loan of funds.

O. Assignability. This Agreement shall not be assigned by Resident, either in whole or in part, and the right to reside in the Residential Unit may not be subcontracted. Owner may, however, assign this Agreement in whole or in part to a successor owner or to a lender, either outright or as security for any indebtedness of Owner, without the consent of Resident. Resident hereby consents to any and all such assignments by the execution of this Agreement.

P. Waiver of Breach. Any waiver by Owner of any covenant or condition of this Agreement, including but not limited to waivers pursuant to Section E of Article III hereof, must be in writing, signed by Owner, shall extend to the particular case only, for the particular time only, and only in the manner specified in such waiver, and shall not be construed as applying to or in any way waiving any further, subsequent or other rights.

Q. Binding Effect. This Agreement and all rights and obligations hereunder shall be binding upon and inure to the benefit of Owner, its successors and assigns, and to the benefit of Resident, Resident's respective heirs, assigns, and personal representatives,

in accordance with its terms, and shall also specifically inure to the benefit of any mortgagee, assignee or lender.

R. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

S. Partial Illegality. If any clause or provision of this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be void, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. If any such clause or provision is deemed to be not in conformity with the appropriate laws and regulations, such portion shall be deemed to have been modified by the parties to be in accordance with such laws and regulations, and the validity of the balance of this Agreement shall not be affected.

T. Power of Attorney. Upon Owner's request, Resident shall execute and maintain in effect a Power of Attorney designating as Resident's Attorney-in-fact a bank or a responsible person selected by Resident to act for Resident in the event Resident may become unable to handle Resident's affairs. Such Power of Attorney shall be in a form satisfactory to Owner with a copy thereof being furnished to Owner.

U. Governing Law. This Agreement shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

V. Right of Rescission. Virginia law provides that Resident shall have the right to rescind this Agreement without penalty or forfeiture, within seven (7) days after making the deposit or executing this Agreement. Resident shall not be required to occupy the Residential Unit prior to the expiration of the seven-day rescission period.

W. Complaint Resolution/Concerns. It is the intent of Williamsburg Landing, Inc. that all Residents entitled to occupy the Residential Unit pursuant to this Agreement are able to freely and openly express complaints or concerns so that prompt and fair resolution can be accomplished. Complaints or concerns (beneficial suggestions or requests for change) are normally forwarded to the President/CEO or the President/CEO's designee who in consultation (as President/CEO deems necessary) with the President of Residents' Association, the appropriate Residents' Association Committee and/or Residents' Council shall seek to resolve the issue.

Complaints resulting from failure to resolve issues in the manner described above may be lodged with the Williamsburg Landing Corporate Board. For presentation to the Corporate Board, Resident, if entitled to occupy the Residential Unit pursuant to this Agreement, shall submit the complaint to the President of the Williamsburg Landing Residents' Association who, as member of the Corporate Board, shall present the complaint to the Chairman of the Corporate Board, with a copy to the President/CEO, for disposition pursuant to the policies and procedures as may be established from time to time by the Corporate Board. The Williamsburg Landing Corporate Board is ultimately responsible for resolving such complaints.

X. Arbitration. A Resident's sole remedy for resolving or deciding any legal dispute, controversy or claim, including any claim for monetary damages, against Williamsburg Landing shall be by binding arbitration in James City County, Virginia, or at such other location that is mutually convenient to Resident and Owner, in accordance with the Rules of the American Arbitration Association currently in effect, as modified by any other instructions that the parties may mutually agree upon at the time. Claims or disputes subject to binding arbitration shall include, without limitation, those arising out of the terms of any Residency Agreement, residency at Williamsburg Landing, a Resident's occupancy or intended occupancy of any premises or the provision of any services to a Resident by Williamsburg Landing, including but not limited to disputes, demands or claims arising from any contracts or agreements, express or implied; disputes or claims arising from the negligence, gross negligence or intentional acts of Resident, Resident's guests or Owner; disputes or claims arising from any fraud or misrepresentation on the part of Resident or Owner; and, disputes and claims based on any federal or state statutory or common law theory, including, without limitation, any law governing or regulating discrimination or accommodation in the provision of premises, services, residency or public accommodation, and, provided, such claims and disputes (i) are of a nature or type that can be submitted to arbitration for a decision, (ii) cannot be resolved or settled by the parties pursuant to preceding sections or the section above entitled "Complaint Resolutions/Concerns," (iii) are not subject to a signed opt out agreement, or (iv) are not excluded from being subject to this arbitration provision pursuant to law.

In consideration of entering into this Residency Agreement, Resident understands and consents to binding arbitration as the sole remedy as set forth above. Resident further understands and acknowledges that in agreeing to arbitration, Resident waives Resident's rights to have any dispute or claim decided in a court of law before a judge or a jury, or otherwise to avail himself or herself of legal remedies other than binding arbitration.

Resident's agreement to binding arbitration is not a condition to a Resident's admission. Therefore, Resident may opt out of arbitration as a sole remedy by signing an "opt out agreement" contemporaneous with the signing of this Agreement, or may do so within thirty (30) days of the date this Agreement is signed, by entering into a separate "opt out" of arbitration agreement. If an opt out agreement is not signed contemporaneous with Resident's signature herein, or within thirty (30) days thereafter, Resident agrees that Resident's sole remedy for resolving any legal dispute, controversy or claim shall be by binding arbitration, as described above.

Owner's remedies shall not be limited to arbitration and shall include but not be limited to any action at law or equity in any court of competent jurisdiction, at Owner's discretion.

In the event of any such arbitration, the controversy or dispute shall be submitted to and, to the extent possible, resolved by one arbitrator mutually selected by the parties. If the parties are unable to mutually agree, each of them shall select one arbitrator and the two arbitrators so selected shall select the third arbitrator; the decision of a majority of such arbitrators shall bind the parties. In the event either party does not select its arbitrator and give notice to the other as herein provided within fifteen (15) days after any notification of

any demand for arbitration hereunder, such arbitrator shall be selected by the American Arbitration Association. The arbitrator(s) shall promptly obtain such information regarding the matter as the arbitrator(s) shall deem advisable and shall decide with dispatch the matter in accordance with applicable law, equitable principles and community and industry standards, but shall not modify the terms of this Agreement. The arbitrator(s) shall render a written award which shall be delivered to the parties. The decision of the arbitrator shall be final and binding upon the parties and may be enforced in any court of competent jurisdiction. Each party shall bear its own costs and expenses, including attorney's fees, in any such proceeding, except that at the time of rendering the award, the arbitrator(s) shall establish the arbitrator(s) fee and expenses in connection therewith. Such fees and expenses shall be allocable by the arbitrator(s) in the arbitrator(s) award. Written notice of demand for arbitration shall be filed by certified mail within fifteen (15) days of the mailing of the decision by the Williamsburg Landing Corporate Board pursuant to the preceding paragraph. Time is of the essence and failure to file within said time shall terminate this and all other remedies of Resident.

Resident specifically agrees that notwithstanding anything to the contrary, the rights and obligations set forth in this Section X of Article VIII Arbitration survive (i) the termination of this Agreement by either party or (ii) the default of this Agreement by either party. The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Resident further agrees that any dispute brought by Resident involving Owner's affiliates, directors, officers, employees and agents shall also be subject to this Section X of Article VIII Arbitration as set forth herein, and shall not be pursued in a court of law and, further, that arbitration will be limited to the parties specified herein.

Y. Entire Contract. Resident hereby acknowledges that Resident has read this Residency Agreement in its entirety. This Agreement constitutes the entire Agreement between Owner and Resident. **Owner is not liable for, nor bound in any manner by, any statements, representations, or promises made by any person representing or purporting to represent Owner, unless such statements, representations, or promises are set forth in this Agreement.** This Agreement supersedes all previous agreements between the parties, including any Reservation Application for Williamsburg Landing executed by Resident.

IN WITNESS WHEREOF, Owner has executed this Residency Agreement, by its duly authorized representative, and Resident has executed this Residency Agreement, in his or her own name, all as of the date first above written.

**ATTEST:**

**WILLIAMSBURG LANDING, INC.**

\_\_\_\_\_

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

Date: \_\_\_\_\_

**WITNESS:**

**RESIDENT:**

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

**Arbitration Opt Out**

I have read and understood the provisions in Section X of Article VIII Arbitration and hereby opt out of the arbitration provisions. I understand that I may avail myself of any legal remedies I have in a court of law for any claim, dispute or controversy I have with Williamsburg Landing in lieu of arbitration as a result of my decision to opt out of arbitration as my sole remedy.

**RESIDENT:**

\_\_\_\_\_

\_\_\_\_\_

20464581v2

**APPENDIX B2**

**FORM OF RESIDENCY AGREEMENT  
WILLIAMSBURG LANDING ASSISTED LIVING (WOODHAVEN MANOR)  
ASSISTED LIVING UNIT**

**WILLIAMSBURG LANDING ASSISTED LIVING (WOODHAVEN MANOR)  
RESIDENCY AGREEMENT  
FOR ASSISTED LIVING UNIT**

between

**Williamsburg Landing, Inc.  
("Owner")**

and

\_\_\_\_\_  
\_\_\_\_\_  
("Resident", whether one or more)

**Residency Agreement Date:** \_\_\_\_\_

**Assisted Living Unit Number:** \_\_\_\_\_

**Type Unit:** \_\_\_\_\_

**Location:** \_\_\_\_\_

**Entrance Fee Plan:**

50% Refundable Entrance Fee     0% Refundable Entrance Fee

<b>Entrance Fee Under Applicable Entrance Fee Plan</b>	\$	_____
<b>Plus Second Person Fee</b>	\$	_____
<b>Total Entrance Fee</b>	\$	_____

<b>Minus Deposit(s) Paid:</b>	\$	_____
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<b>Minus Value of all other property transferred, including donations, subscriptions, fees and any other amounts paid or payable by, or on behalf of Resident</b>	\$	_____
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<b>Balance of Entrance Fee due on Residency Agreement Date</b>	\$	_____
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A fee of \$1,000.00 per person previously paid by Resident to Owner (the "Admissions Processing Fee") includes a portion of the costs of the required physical examination(s) of Resident and other expenses assessed by Owner, is not part of or credited against the Entrance Fee and, as such, is nonrefundable unless the Resident is not accepted for admission.

**Effective Occupancy Date:**

To Be Entered When Established: \_\_\_\_\_

**\*Initial Monthly Service Fee**    \$ \_\_\_\_\_

Initial Level of Service: \_\_\_\_\_

\*THE INITIAL MONTHLY SERVICE FEE IS AN ESTIMATE BASED UPON THE MONTHLY SERVICE FEE(S) IN EFFECT ON THE DATE OF THE EXECUTION OF THIS AGREEMENT. THE INITIAL ACTUAL MONTHLY SERVICE FEE(S) AND CREDIT(S) WILL BE IN THE AMOUNT OF THIS ESTIMATE UNLESS RESIDENT IS OTHERWISE NOTIFIED IN WRITING ON OR BEFORE THE EFFECTIVE OCCUPANCY DATE IS DETERMINED, SUBJECT TO INCREASE OR DECREASE SUBSEQUENT TO THE EFFECTIVE OCCUPANCY DATE AS PROVIDED IN THIS AGREEMENT.



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**Addendums:**

- (1) Assisted Living Facility Liability Insurance Disclosure Form
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**This RESIDENCY AGREEMENT** (the "Agreement") is made on the date shown on the cover page between WILLIAMSBURG LANDING, INC., a Virginia non-profit corporation ("Owner"), and the person or persons listed on the cover page as Resident.

Owner operates "Williamsburg Landing," a Continuing Care Retirement Community (CCRC) in James City County, Virginia, which provides housing and certain services for its residents.

Resident has applied for entry to Williamsburg Landing and submitted a Future Residency Application ("Future Residency Application"), a copy of which is attached and made a part of this Agreement. Owner, by the execution of this Agreement, has accepted the Future Residency Application, subject to the terms of this Agreement.

Owner and Resident, in consideration of the mutual covenants, agreements and undertakings set forth below, agree as follows:

## **ARTICLE I. ASSISTED LIVING UNIT**

A. Assisted Living Unit. The assisted living unit selected by Resident and to which Resident is assigned is shown on the cover page of this Agreement, and Resident shall have the privilege of occupying the agreed upon assisted living unit or any other assisted living unit to which Resident is at any time assigned (the "Assisted Living Unit") so long as Resident meets the terms and conditions of this Agreement and conforms to the policies and procedures of Owner. Owner agrees to furnish and maintain, at Owner's expense, the following for the Assisted Living Unit:

- (1) Heating and air conditioning units with individually controlled thermostats
- (2) Smoke Detectors
- (3) Emergency response system
- (4) Kitchenette with microwave oven, sink and under-counter refrigerator
- (5) Key operated safe

In addition, Owner will furnish mini-blinds and will furnish floor coverings consisting of wall-to-wall carpeting or hardwood flooring, except in bathrooms and kitchenette, for which vinyl or tile floor coverings shall be furnished. Replacement of floor coverings is at the sole discretion of Owner. All other furnishings shall be provided and maintained by Resident.

B. Change of Assisted Living Unit.

(1) Request for Change by Resident. Resident may request a change of the Assisted Living Unit (i) subject to the availability of an alternate assisted living unit (the "Alternate Unit"), and (ii) in accordance with Owner's policies in effect from time to time. Upon Owner's approval, the change to the Alternate Unit shall become effective subject to the following:

- a. First Change. If the change of Assisted Living Unit is the first change by Resident, the original Entrance Fee previously paid by Resident (without any reduction for amortization under the "Entrance Fee Plan" in effect) shall be applied against the Entrance Fee for the Entrance Fee Plan then in effect for the Alternate Unit. Resident shall pay to Owner prior to occupancy of the Alternate Unit any deficit. The excess, if any, (i) with respect to Residents under the 50% Refundable Entrance Fee Plan, shall be refunded to Resident reduced by 4% per full or partial calendar month of occupancy after the "Effective Occupancy Date" (as hereinafter defined in Section A of Article III) up through and including twelve full or partial calendar months after said Effective Occupancy Date and by 2% per full or partial month after the last day of the twelfth calendar month after the Effective Occupancy Date, until the remaining amount of the refund of the excess, if any, is reduced to 50% of said excess, and (ii) with respect to Residents under the 0% Refundable Entrance Fee Plan, shall be refunded to Resident reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twenty-five full or partial calendar months after said Effective Occupancy Date, until the remaining amount of the refund of the excess, if any, is reduced to 0.
- b. Subsequent Changes. If the change of Assisted Living Unit is the second or subsequent such change by Resident, the Entrance Fee previously paid by Resident without any reduction for amortization under the applicable Refundable Entrance Fee Plan as adjusted by all additional entrance fees paid or refunds made in connection with previous relocations, shall be applied against the Entrance Fee under the corresponding Entrance Fee Plan then in effect for the Alternate Unit. Resident shall pay to Owner prior to occupancy of the Alternate Unit any deficit. If there is any excess, that excess, (i) with respect to Residents under the 50% Refundable Entrance Fee Plan, shall be refunded to Resident reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and

including twelve full or partial calendar months after said Effective Occupancy Date and by 2% per full or partial calendar month after the last day of the twelfth full or partial calendar month after the Effective Occupancy Date, until the remaining amount of the refund of the excess, if any, is reduced to 50% of said excess, and (ii) with respect to Residents under the 0% Refundable Entrance Fee Plan, shall be refunded to Resident reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twenty-five full or partial calendar months after said Effective Occupancy Date, until the remaining amount of the refund of the excess, if any, is reduced to 0.

- c. The revised Entrance Fee computed in "a" or "b" described above, as applicable, is hereinafter referred to as the "Adjusted Entrance Fee." Refunds of the Adjusted Entrance Fee, if any, shall be in accordance with Article VI, of this Agreement. All amounts not refunded shall be retained by Owner.
- d. Resident shall also pay Resident's relocation expenses and the administrative fee then in effect to compensate Owner for its actual costs as a result of such relocation.

(2) Relocation to Another Assisted Living Unit by Owner. Owner may require Resident to move to another assisted living unit if such a move has been recommended by the Medical Director of Williamsburg Landing for the Williamsburg Landing Assisted Living Center or a designee of that Medical Director, in consultation with Resident's private physician, for the health or safety of Resident. Such relocation shall be at the expense of Resident, but without any increase of the Entrance Fee. The Entrance Fee previously paid shall be applied as set forth in subsection B(1) of Article I above except that no deficit shall be paid by Resident.

## **ARTICLE II. SERVICES PROVIDED**

A. Residential Services Provided by Owner. Owner shall furnish the following services to all residents of Williamsburg Landing, the costs of which shall be covered by the Monthly Service Fees, except where specifically noted:

(1) Maintenance and Repairs. Owner will perform necessary repairs, maintenance and replacement of its own property and equipment, the common areas of Williamsburg Landing and the exterior and interior of the assisted living units. Repairs, maintenance and replacement of Resident's own property will be the responsibility of Resident.

(2) Security. Owner will equip the Assisted Living Unit with an emergency response system which will be monitored on a 24 hour basis and an automatic smoke alarm. Owner will staff a security station and will patrol the grounds on a scheduled basis.

(3) Meals. Owner will operate at least one dining facility for three meals per day; included in the Monthly Service Fee are 3 meals per day for each Resident. Private dining facilities will be available to Resident to be used on a reserved basis at an additional charge to him. Special diets, as may be prescribed by Resident's physician, will be provided for Resident and Owner, at its discretion, may charge Resident the expense.

(4) Scheduled Transportation. Owner will provide scheduled transportation from Williamsburg Landing to local shopping areas and between the Williamsburg Landing Assisted Living Center building and the Landing building. Transportation for medical treatment in the local Williamsburg area will be provided by Owner if Resident is unable to furnish Resident's own transportation. Transportation for other personal needs may be provided at an additional charge.

(5) Planned Activities. Owner will coordinate special events which may include such items as concerts, tours and cultural or social events. Additional charges may apply for participation in these activities.

(6) Management Services. Owner will provide professional management services to the community.

(7) Buildings and Grounds. Owner will maintain the common areas of all buildings and the grounds including the lawns, walkways and driveways.

(8) Utilities. Owner will furnish water, sewer, heat, light, power, air conditioning, cable television service (excluding premium channels) and local telephone service for the assisted living units located in the Assisted Living Center building. Resident will pay for long distance telephone charges and internet access.

(9) Common Facilities. Resident may use, in common with others, facilities such as dining rooms, lounges and lobbies, chapel, library, swimming pool, social and recreation rooms, shops, and all other common facilities designated by Owner for resident use. Common facilities for which additional charges will be made include any shops providing services such as beauty parlors and barber shops and facilities requiring an attendant, and any rooms or accommodations provided for the overnight accommodation of guests. An additional charge may also be made for supplies used in connection with recreational and social activities.

(10) Housekeeping. Owner will clean the Assisted Living Unit weekly.

(11) Laundry. Owner will provide personal laundry service.



(12) Taxes. Owner will pay all real and personal property taxes assessed against Owner.

B. Health Care Services Provided.

(1) Health Care Offered by Owner. The following health care services will be provided by Owner and included in the Monthly Service Fee:

- a. Emergency call system
- b. An Outpatient Clinic providing:
  - (i) initial health screenings for new Residents (weight check, blood pressure screening, nurse consultation)
  - (ii) blood pressure checks
  - (iii) phlebotomy service (does not include lab charges)
  - (iv) scheduled nurse consultation
- c. Initial one time nutrition counseling for new Residents (subsequent counseling is at Resident's expense)
- d. Subject to the review and approval of the Medical Director for the Nursing Center or that Medical Director's designee and the Medical Transfer procedures provided for in Article IV below and provided that Resident is an occupant of an Independent Living or Assisted Living Unit or Memory Support Assisted Living Unit during that calendar year, up to ten (10) days of care in the Nursing Center per calendar year (non-cumulative from year to year) on a private room (shared bath) basis.

Additional stays in the Nursing Center beyond such ten (10) days per calendar year (non-cumulative from year to year) of care, or stays in the Nursing Center that do not qualify for such ten (10) days, will be at Resident's expense at the then current rate for the applicable private room. For care in other than a private room (shared bath) basis during such ten (10) days, Resident will be charged the per diem private room rate, less the private room (shared bath) rate.

Nursing Center. Owner operates Woodhaven Hall (Williamsburg Landing Health and Rehabilitation Center), which is a nursing facility on site licensed by the Commonwealth of Virginia as a nursing home (the "Nursing Center"). Nursing care provided by Owner shall be limited to that care given in the Nursing Center or in another part of Williamsburg Landing designated by Owner. Resident may employ private duty nurses and sitters at Resident's expense, but only after approval by Owner of the nurses and sitters and/or firm providing such nurses and sitters and subject to policies and

procedures of Owner. Owner assumes no responsibility for overseeing such private duty providers of services.

Assisted Living Center. Owner will provide assisted living services to Residents of the Williamsburg Landing Assisted Living Center at Woodhaven at Williamsburg Landing (the “Assisted Living Center”) and shall staff such with trained personnel. Typical services to be provided are as follows:

- a. Three nutritious meals daily, including special diets as may be prescribed by Resident’s physician
- b. Assistance with Activities of Daily Living as needed, including assistance in bathing
- c. Assistance with problems resulting from loss of speech, hearing or sight
- d. Administration of medication as needed
- e. Special treatments such as blood pressure checks
- f. Assistance in maintenance and housekeeping to provide a clean, safe environment
- g. Specialized activities programs

Levels of Service. Resident will be assigned to one of three levels of service (Level I, II, or III) based on an assessment using the Uniform Assessment Instrument (UAI), on or before the Effective Occupancy Date. Periodic reassessments of Resident’s condition will be conducted. Changes in level of service will result in an automatic adjustment in the Monthly Service Fee based on the then current Fee Schedule.

Medical Director. Owner will designate as a medical director one or more a licensed physicians who shall be responsible for conferring with Owner on the access to and delivery of the health care services at the Williamsburg Landing Assisted Living Center, Memory Support Home and Nursing Center (each a “Medical Director”) and shall be available to Owner for advice and consultation.

(2) Additional Health Care Services. Additional health care services will be provided or made available through independent or related contractors approved by Owner. Resident will be responsible for paying the rates charged for any of these additional services utilized. Typical services to be provided are as follows:

- a. Primary care physician services
- b. Home health care
- c. Licensed nurses

- d. Physical therapists
- e. Occupational therapists
- f. Speech therapists
- g. Massage therapy
- h. Primary and specialty physicians services in the outpatient clinic
- i. Private duty sitting and nursing services

(3) Release of Resident Information. Resident hereby acknowledges and agrees that the Resident may refuse to allow the Facility to release any information regarding the Resident's personal affairs and records to any individual outside of the Facility, except when such release is required or permitted by applicable law or in the case of a transfer of the Resident outside the Facility.

C. Additional Services. Owner may offer other services in addition to those listed specifically in this Article II. If Resident chooses to accept those additional services, Resident agrees to pay all applicable additional charges.

D. Notice of Change in Services Provided or Fees. Thirty (30) days prior written notice shall be provided to Resident concerning any change that decreases the scope of services described in this Article II. A listing of charges for services provided by Owner that are not covered by the Monthly Service Fee will be available to all Residents. Thirty (30) days prior written notice shall be provided to Resident concerning increases in these charges or Monthly Service Fees.

### **ARTICLE III. FEES**

A. Effective Occupancy Date. The Effective Occupancy Date is the date upon which the Assisted Living Unit is available for occupancy, regardless of whether the unit is physically occupied (the "Effective Occupancy Date"). Subject to the preceding sentence, the Effective Occupancy Date shall be mutually agreed upon and listed on the cover page of this Agreement. All applicable fees (See Sections B and C of Article III) will commence on the Effective Occupancy Date. The foregoing is subject to the seven (7) day right of rescission as set forth in Section V of Article VIII below.

B. Entrance Fee. In consideration of Owner making the Assisted Living Unit and services available to Resident as described above, Resident agrees to pay an entrance fee in the amount shown on the cover page of this Agreement (the "Entrance Fee") in the following manner:

- Resident may make partial payments of the Entrance Fee at any time prior to the Residency Agreement Date.

- The balance of the Entrance Fee is payable in full on or before the Residency Agreement Date.
- The 50% Entrance Fee Plan accrues to Owner at a rate of 4% per month beginning with the month of the Effective Occupancy Date or portion thereof until the last day of the twelfth consecutive month after the Effective Occupancy Date with the month in which the Effective Occupancy Date occurs being the first month of the twelve month period, then thereafter at a rate of 2% per calendar month or portion thereof until 50% of the Entrance Fee has been accrued. Thereafter, any refund to Resident will be limited to 50% of the Entrance Fee originally paid by the Resident less a sum equal to any costs owed Owner by Resident, and less any amount necessary to restore the Assisted Living Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI and Section B of Article I for specific refund information.
- The 0% Entrance Fee Plan accrues to Owner at a rate of 4% per month beginning with the month (such accrual shall apply to partial months even if the Effective Occupancy Date is other than the first day of a month or this Agreement terminates on other than the last day of a month) of the Effective Occupancy Date until the entire Entrance Fee paid has been accrued. Prior to such full accrual by Owner, Resident may be due a refund of the Entrance Fee paid by the Resident less a percentage thereof equal to 4% times the number of months (or partial months) of occupancy, less any costs owed Owner by Resident, and less any amount necessary to restore the Assisted Living Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI and Section B of Article I for specific refund information.

In the event that payment of the Entrance Fee is delayed beyond the Effective Occupancy Date for any reason, Resident will be liable for payment of Monthly Service Fees commencing on the Effective Occupancy Date. A delay of full payment of the Entrance Fee beyond thirty (30) days after the Effective Occupancy Date will be considered a voluntary termination of this Agreement by Resident after the Effective Occupancy Date and the terms of Section A of Article VI will apply.

(1) Escrow Account. Prior to the Effective Occupancy Date, all sums (except less \$1000 per Resident held by Owner, which amounts are non-refundable except if Resident dies before occupying the Residential Unit, or is later precluded through illness, injury or incapacitation from becoming a resident and less the Admissions Processing Fee) received from Resident for entrance fees or portions of entrance fees pursuant to this Agreement will be deposited by Owner into an escrow account maintained at a financial institution designated by Owner (the "Escrow Agent"), pursuant to the terms and provisions of an escrow agreement ("Escrow Agreement") by and between Owner and the Escrow Agent. All such escrowed sums ("Escrow Deposits") will remain the property of Resident until released to Owner as hereinafter provided. No interest shall be due or payable to Resident on such sums and all interest earned on such

sums is to be paid to Owner. All Escrow Deposits shall be released to Owner on the earliest date when Owner presents to the Escrow Agent evidence that: (i) at least one of the Residents has commenced occupancy at Williamsburg Landing in the Assisted Living Unit; or (ii) Resident occupies the selected Assisted Living Unit; or (iii) the selected Assisted Living Unit is available for immediate occupancy. If Resident dies before occupying the Assisted Living Unit, or is later precluded through illness, injury or incapacitation from becoming a resident under the terms of this Residency Agreement, Resident shall receive a refund of the Escrow Deposits, without interest, reduced by those costs, if any, specifically incurred by Owner at the request of Resident including, but not limited to, costs of changes to the Assisted Living Unit as set forth in a separate written Addendum signed by both Resident and Owner. However, any interest earned on such sums will be paid to Owner. Any costs and expenses incurred by the Escrow Agent in the administration of such escrow account shall be payable from such interest earnings, but if such interest earnings are insufficient, such costs and expenses may be deducted from the amount of Resident's deposit.

(2) Refund of Entrance Fee. A portion of the Entrance Fee shall be refunded by Owner to Resident under the terms and provisions of Section B of Article I, Section B of Article IV, and Article VI of this Agreement.

C. Monthly Service Fee. Resident shall pay Owner a monthly service fee (the "Monthly Service Fee") for certain services provided to Resident, as more fully described above, and to pay for a portion of the construction and financing costs of Williamsburg Landing. The Monthly Service Fee shall be payable in advance on the first day of each month until the applicable date specified in this Agreement pursuant to Article VI hereof. The full Monthly Service Fee for the month in which the Effective Occupancy Date occurs shall be due in advance on the Effective Occupancy Date. A prorated credit for the portion, if any, of the month of occupancy from the first day of such month to the Effective Occupancy Date will be applied to the first regular Monthly Service Fee following such month.

The actual Monthly Service Fee for initial occupancy will be established prior to the Effective Occupancy Date. Written notice of any such change to the Monthly Service Fee shall be given to Resident no later than thirty (30) days prior to the Effective Occupancy Date. Subsequent to the Effective Occupancy Date, Owner may increase or decrease the Monthly Service Fee after giving thirty (30) days prior written notice to Resident.

(1) Joint Occupancy of Assisted Living Unit. Owner may maintain different Monthly Service Fees for single and double occupancy of the Assisted Living Unit, and any change in the status of occupancy may result in the appropriate change in Resident's Monthly Service Fee. If the Assisted Living Unit is occupied by more than one Resident, each Resident shall be jointly and severally liable for the Monthly Service Fee.

(2) Termination of Occupancy by One Joint Occupant. In the event of the termination of occupancy of one joint occupant of the Assisted Living Unit for any reason, effective on the first day of the following month, the Monthly Service Fee charged to the remaining occupant shall be reduced by the then current fee, if any, for the second

resident in the Assisted Living Unit. Any applicable meal credits for single-occupied units will apply according to the then current fee schedule.

D. Other Fees.

(1) Admissions Processing Fee. The Admissions Processing Fee of \$1,000.00 per person previously paid by Resident prior to the execution of this Agreement covered a portion of the costs and expenses incurred by Owner, and as such, is not part of or credited against the Entrance Fee. The Admissions Processing Fee is nonrefundable and becomes the property of Owner upon payment, unless admission is denied by Owner in which event it will be refunded. No interest shall be payable or otherwise credited to Resident on the Admissions Processing Fee.

(2) Second Person Fee. In consideration of Owner making the Assisted Living Unit available for the benefit of an additional person to be included within the definition of Resident, Resident agrees to pay a second person fee in the amount shown on the cover page of this Agreement which fee shall be paid in full on or before the Residency Agreement Date. The second person fee is included within the definition of Entrance Fee and is subject to refund as part of the Entrance Fee pursuant to the terms and provisions of Section B of Article I and Article VI of this Agreement.

(3) Fees For Additional Services. Owner may provide additional services which are not included in the Monthly Service Fee for which an additional charge may be made pursuant to Owner's published fee schedule.

E. Nonpayment of Fees. In the event that payment of the Entrance Fee (including any second person fee) is delayed beyond the Effective Occupancy Date for any reason, Resident will be liable for payment of Monthly Service Fees commencing on the Effective Occupancy Date. A delay of full payment of the Entrance Fee (including any second person fee) beyond thirty (30) days after the Effective Occupancy Date will be considered a voluntary termination of this Agreement by Resident after the Effective Occupancy Date and the terms of Section A of Article VI will apply. Owner may terminate this Agreement for nonpayment of the Monthly Service Fee if such nonpayment is not cured within thirty (30) days of the date Owner gives written notice of the overdue payment to Resident. If two co-Residents are entering into this Agreement, each agrees to make all necessary provisions to ensure that each Resident will have sufficient financial resources to meet their obligations under this Agreement even if the other Resident leaves Williamsburg Landing by death, withdrawal or otherwise.

F. Marriage or Double Occupancy; Joint and Several Obligations of Co-Residents.

- (1) a. If Resident marries another current resident of Williamsburg Landing and desires to establish co-residency or otherwise desires to cohabitate with another current resident and establish co-residency, subject to availability and Williamsburg Landing's then current policies and procedures, either may terminate their respective

Residency Agreement pursuant to the notice of termination provisions of the Residency Agreement to be terminated, receive any refund when due for the terminated Residency Agreement, and execute an addendum to the Residency Agreement not terminated to become a party to the new spouse's or cohabitant's Residency Agreement. The Monthly Service Fee for the vacated residential unit shall terminate upon (i) termination of the Residency Agreement for which proper and timely notice of termination has been provided and vacancy, and (ii) the co-residents having deposited the second person fee as described in subsection III.D.(2). The Monthly Service Fee for the residential unit retained shall simultaneously be raised to the double occupancy level.

- b. If Resident marries or otherwise desires to cohabit with a person not a resident of Williamsburg Landing and desires to establish joint residency with that person, (i) that person must submit a Residency Application and such other documentation as Owner may reasonably require in accordance with Williamsburg Landing's then current policies and procedures, and (ii) both Resident and the intended co-resident must submit a then current financial report. Williamsburg Landing's acceptance of this second person shall be contingent upon that person's ability to meet the health, financial and general criteria for admission to Williamsburg Landing. A person qualifying to become, but declining to become, a resident under a Residency Agreement disqualifies that person for residency at Williamsburg Landing. If the intended co-resident does not qualify for independent living residency in accordance with Williamsburg Landing's acceptance policies then in effect, the intended co-resident will not be permitted to establish residency at Williamsburg Landing. If accepted for joint residency, the Resident and intended co-resident will be required to execute an addendum to this Residency Agreement to pay the applicable second person fee as described in subsection III.D.(2) above and provide that the co-Residents will be treated as joint residents. They are thereafter required to pay the Monthly Service Fee for joint residency, with the second person monthly service fee prorated for the first month, if appropriate.
- c. In addition to the requirements of Section F.(2) below, the addendum to this Agreement to be signed by both residents selecting co-residency under clauses (1)(a) or (b) above is to designate the division calculation of the applicable refund to each upon termination of the Agreement(s) by the last Resident. Notwithstanding such division calculation agreement, the Entrance Fee shall remain subject to Owner's claims and reduction by Owner as provided for in subsection III.G. below.

- (2) If two co-Residents are entering into this Agreement, each agrees to make all necessary provisions to ensure that each Resident will have sufficient financial resources to meet their obligations under this Agreement even if the other Resident leaves Williamsburg Landing by death, withdrawal or otherwise, to include, without limitation, making provision in their respective estate planning documents (whether by will, trust, survivorship, pay-on-death, beneficiary designation or other designation) to satisfy the continuing obligations of the remaining Resident under this Agreement after the death of the first Resident to die. Further, each Resident hereby agrees (i) to be bound jointly and severally by the terms and conditions hereof, and (ii) that such obligations shall become an obligation of each Resident's estate. Each Resident hereby agrees to provide to Owner from time to time, upon Owner's request, written evidence satisfactory to Owner of the Resident's compliance with the Resident's obligations under this subsection.

G. Joint and Several Obligations of Co-Residents. If two co-Residents are entering into this Agreement, each agrees to make all necessary provisions to ensure that each Resident will have sufficient financial resources to meet their obligations under this Agreement even if the other Resident leaves Williamsburg Landing by death, withdrawal or otherwise, to include, without limitation, making provision in their respective estate planning documents (whether by will, trust, survivorship, pay-on-death, beneficiary designation or other designation) to satisfy the continuing obligations of the remaining Resident under this Agreement after the death of the first Resident to die. Further, each Resident hereby agrees (i) to be bound jointly and severally by the terms and conditions hereof, and (ii) that such obligations shall become an obligation of each Resident's estate. Each Resident hereby agrees to provide to Owner from time to time, upon Owner's request, written evidence satisfactory to Owner of the Resident's compliance with the Resident's obligations under this Section.

H. Benevolence. Notwithstanding the provisions of Section E of Article III above, it is the policy of Owner not to terminate a Resident's occupancy because of financial inability to pay all or part of the Monthly Service Fee and other fees, provided that Resident is otherwise in compliance with the terms of this Agreement and provided, further, that Resident establishes facts to justify a waiver or reduction of the Monthly Service Fee and any other such fees. Such waiver or reduction can be granted, based solely on the opinion of Owner and compliance of the request with the Benevolence policies established by the Board of Williamsburg Landing, without impairing the ability of Owner to operate Williamsburg Landing on a sound financial basis. To justify a waiver or reduction of the Monthly Service Fee, Resident must prove conclusively to Owner that inability to pay is due to financial reverses over which Resident had no control or is due to depletion of Resident's assets in a reasonable manner by the passage of time. Resident shall not, without Owner's consent, have impaired Resident's ability to meet the financial obligations of this Agreement by reason of expending and/or transferring Resident's income or assets after execution of this Residency Agreement, other than to meet ordinary and customary living expenses.



To the extent that the Monthly Service Fee or other fee(s) are waived or reduced, Owner will have a claim against Resident's remaining estate and a right to set off against any refund of the Entrance Fee to which Resident or Resident's estate may be entitled under this Agreement. Resident hereby agrees that, in consideration of such reduction:

(1) Resident shall transfer to another assisted living unit upon request by Owner, if and when available;

(2) Resident shall not sell or otherwise transfer any real or personal property, financial assets or income without the written consent of Owner;

(3) Resident shall enter into such agreements, powers of attorney, assignments or transfers as may be required for the purpose of making available to Resident and Owner any other assets of Resident to offset such financial needs;

(4) Resident shall promptly provide periodic statements of financial condition and copies of income tax returns as may be requested from time to time by Owner; and

(5) Resident shall notify Owner of any and all assets acquired thereafter through any means whatsoever, and shall assign or pay such property received to Owner in an amount equivalent to the total cumulative monthly or other fee reductions which have been allowed to Resident.

If the conditions of this Agreement for waiver or reduction of the Monthly Service Fee cannot be met, and Resident fails to pay such fee in full, interest may be charged on past due fees and charges and/or Owner may terminate this Agreement as provided above.

I. Monthly Statement of Charges and Payments. On a monthly basis, the Facility will provide the Resident with a monthly statement with respect to the immediately preceding month that shows an itemization of any charges made by the Facility during such month (including the Monthly Service Fee and any additional fees charged for additional services) and any payments received by the Facility from the Resident or on the Resident's behalf. Such monthly statement shall also show the balance due for such month and any credits for overpayments previously made by the Resident. Such monthly statements shall be maintained in the Resident's record.

#### **ARTICLE IV. MEDICAL TRANSFER**

A. Procedure for Temporary Transfer to the Nursing Center. Temporary transfer of Resident to the Nursing Center will require the review and approval of the Medical Director for the Nursing Center or their designee. In the event of such temporary transfer, Resident shall continue paying the then effective Monthly Service Fee and shall continue to have the right to occupy the Assisted Living Unit. After Resident has received Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care in the Nursing Center, Resident shall pay a per diem charge in

addition to the Monthly Service Fee for services received, in accordance with Owner's rates effective at that time for residents of Williamsburg Landing paying the Monthly Service Fee.

B. Procedure for Permanent Transfer to the Nursing Center. Whenever, in the opinion of Owner, a permanent transfer to the Nursing Center is required because Resident is no longer capable of living independently in the Assisted Living Unit or is incapable of either managing Resident's properties or caring for Resident's self or both, Resident shall willingly transfer to the Nursing Center. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident and Resident's personal physician if different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative, and shall take into consideration the physical capacity of the facilities at Williamsburg Landing and the health, welfare, safety, comfort and well-being of Resident and other residents. Failure to transfer to the Nursing Center shall constitute a material breach of this Agreement by Resident and provide good cause for Owner to terminate this Agreement.

If a Resident permanently transfers to the Nursing Center, after that Resident has used any remaining days of that Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care for the year in which the Resident is so transferred, that Resident shall pay for any nursing or health services in the Nursing Center on a per diem basis in accordance with Owner's rates effective at that time. Effective upon the date of such permanent transfer, Resident shall no longer pay the Monthly Service Fee or, if Resident was a joint occupant of the Assisted Living Unit, the additional fee then in effect, if any, for double occupancy. After the initial calendar year during which such permanent transfer occurs, the ten (10) days per calendar year of care in the Nursing Center previously included in the Monthly Service Fee shall no longer be provided by Owner.

If Resident permanently transfers to the Nursing Center or an alternative facility, this Agreement shall not terminate, and if the Assisted Living Unit is jointly occupied, the remaining occupant shall assume all obligations under this Agreement with respect to the Assisted Living Unit. No refund of the Entrance Fee shall be due in connection with the permanent transfer to the Nursing Center of one, both or all occupants of an Assisted Living Unit. If Resident was the sole occupant of the Assisted Living Unit, upon the Resident's permanent transfer to the Nursing Center this Agreement shall not terminate, but, within fourteen (14) days after the date of permanent transfer, any personal property of Resident that remains in the Assisted Living Unit shall be removed by Resident's lawfully authorized personal representative and the Assisted Living Unit may be reoccupied by a successor resident or Owner.

C. Procedure for Temporary or Permanent Care in an Alternative Facility. Notwithstanding the procedures outlined in Sections A or B of Article VI above, Owner may provide nursing care required by Resident either in Resident's Assisted Living Unit or by contract in another licensed nursing home facility on a temporary basis if space is not available within the Nursing Center. Resident shall pay for care on the same basis as outlined in Sections A or B of Article VI, except that Resident will not be required to

pay more than Resident would be required to pay if space were available in the Nursing Center. Residents who receive care according to this Section will be offered care in the Nursing Center in such order as Owner deems to be in the mutual best interest of Owner and all such Residents, but prior to any admission of non-residents to the Nursing Center then seeking admission.

D. Procedure for Transfer to a Medical Institution. If circumstances arise which, in the opinion of Owner, necessitate the transfer of Resident to a hospital or other institutional medical facility, Owner will endeavor to assist Resident in locating an acceptable institution with a non-restrictive environment.

(1) Temporary Transfer to a Medical Institution. In the event that temporary transfer of Resident from Williamsburg Landing to an institutional medical facility is required as described above, Resident shall continue paying the then effective Monthly Service Fee (and additional fee for double occupancy, if applicable).

(2) Permanent Transfer to a Medical Institution. If, in the opinion of Owner, a permanent transfer by Resident to an institutional medical facility is required because Resident is no longer capable of living independently in the Assisted Living Unit or requires a different level of nursing or health care than is available in the Nursing Center, Resident shall transfer to such institutional medical facility as the Medical Director for the Nursing Center or their designee may direct. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident, Resident's personal physician if different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative and shall take into consideration the health, welfare, safety comfort and well-being of Resident and all residents of Williamsburg Landing.

If Resident transfers to an institutional medical facility as described above and such transfer is deemed permanent, this Agreement shall automatically terminate; provided, however, that the permanent transfer of one occupant of a jointly occupied unit (including joint occupants one or both of whom have permanently transferred to the Nursing Center), shall not effect a termination of this Agreement with respect to the remaining occupant if such occupant assumes all obligations under this Agreement, in which case Resident shall no longer pay an additional fee, if any, for joint occupancy of the Assisted Living Unit, if applicable. If Resident was the sole occupant of the Assisted Living Unit, a refund of a portion of Resident's Entrance Fee shall be granted in accordance with Section G of Article VI of this Agreement.

## **ARTICLE V. INSURANCE**

A. Medical Insurance and Long Term Care Insurance. Resident agrees to maintain health insurance coverage under Parts A and B of the Medicare Program. If Resident is not eligible for coverage under Parts A and B of the Medicare Program, Resident agrees to obtain equivalent insurance coverage acceptable to Owner. If Resident had long term care insurance in place at the time of approval for admission and existence of that insurance was considered as part of that Resident's financial approval,

then Resident must maintain that insurance or equivalent coverage during the term of this Residency Agreement.

B. Liability and Casualty Insurance. Owner will maintain liability and casualty insurance coverage for all buildings, the contents of the common areas and miscellaneous scheduled property as deemed necessary by Owner. In addition, Owner will carry professional liability insurance coverage, boiler and machinery insurance coverage, as deemed necessary by Owner, and business interruption insurance coverage for loss of earnings/rent and extra expenses as deemed necessary by Owner.

C. Resident Provided Insurance. It is the responsibility of Resident to provide all personal property and liability insurance coverage desired by Resident, and Resident is required to secure and maintain in effect at all times a liability, fire and extended coverage policy or liability and casualty insurance policy, insuring Resident's tangible personal property against loss or damage by reason of fire or other casualty and protect Owner and Resident with regard to damage to property of others, personal injury and death. Owner's insurance will not protect Resident against theft or destruction of Resident's personal property whether located inside or outside the Assisted Living Unit.

## **ARTICLE VI. TERMINATION AND REFUND**

A. Termination by Resident. Resident may terminate this Agreement at any time, both before and on or after the Effective Occupancy Date, by giving written notice to Owner. Such written notice shall state a date when termination is to become effective, and at or prior to such date Resident shall vacate and release the Assisted Living Unit. On or after the Effective Occupancy Date, the notice of termination must be given at least thirty (30) days prior to the date on which Resident desires to terminate this Agreement and Resident shall continue to pay the Monthly Service Fee until the later of thirty (30) days after the date of such written notice of termination or until the Assisted Living Unit is vacated and released.

The joint occupants constituting Resident of any Assisted Living Unit may, by written notice bearing their joint signatures, at any time terminate this Agreement by delivering to Owner written notice of their intent to do so. Such written notice shall state the date when termination is to become effective and whether either occupant desires to retain the Assisted Living Unit or another Assisted Living Unit, if available, on a single occupancy basis. If termination is being made after the Effective Occupancy Date, at or prior to the termination effective date, one or both occupants, as the case may be, will move out of the Assisted Living Unit. Such date shall be not less than thirty (30) days after the date of such written notice. In the event that one occupant elects to remain a resident, this Agreement shall continue in effect with respect to that occupant, with the modification of the Monthly Service Fee specified in Article III. of this Agreement.

B. Termination by Owner. Owner may not terminate this Agreement with Resident without good cause. Good cause shall be limited to: (i) proof that Resident is a danger to himself or others; (ii) non-payment by Resident of the Monthly Service Fee;

(iii) repeated conduct by Resident that interferes with other residents' quiet enjoyment of any portion of Williamsburg Landing; (iv) persistent refusal to comply with reasonable written rules and regulations of Williamsburg Landing; (v) a material misrepresentation made intentionally or recklessly by Resident in Resident's application for residency or related materials, regarding information which, if accurately provided, would have resulted in either a failure of Resident to qualify for residency or a material increase in the cost of providing to Resident the care and services provided under the Residency Agreement; or (vi) material breach by Resident of the terms and conditions of the Residency Agreement.

If Owner seeks to cancel a residency agreement and terminate Resident's occupancy, Owner shall give Resident written notice of, and a reasonable opportunity to cure within a reasonable period, whatever conduct is alleged to warrant the cancellation of the residency agreement.

Upon such termination by Owner for any of the aforesaid reasons, Owner shall provide Resident with a dated and signed statement by the licensee, administrator or CEO of Williamsburg Landing which contains the following information: (a) date of notification of termination and person so notified; (b) reason(s) for termination; (c) action taken by Owner to assist Resident in the discharge and relocation process; (d) date of actual termination and Resident's destination; and (e) in situations which present emergency conditions, such as where Resident presents a risk to the health, safety or welfare of Resident or others, the statement shall contain the above information if appropriate and such statement shall be provided or mailed to Resident within 48 hours from the time of the decision to terminate.

#### C. Automatic Termination.

(1) Termination by Death. This Agreement shall automatically terminate (a) immediately upon the death of Resident if such death occurs prior to the Effective Occupancy Date; or (b) if such death occurs on or after the Effective Occupancy Date, this Agreement shall then terminate but subject to the obligation of Resident's estate to pay the Monthly Service Fee until the earlier of thirty (30) days after such death or until the Assisted Living Unit is vacated and released. In the event of death after the Effective Occupancy Date, the refund provisions of Section G of Article VI shall govern, provided that the death of one occupant of a jointly occupied unit (including joint occupants one or both of whom have permanently transferred to the Nursing Center) shall not effect a termination with respect to the other occupant.

(2) Termination Prior to Occupancy. This Agreement shall automatically terminate prior to the Effective Occupancy Date as provided in preceding paragraph or if either Resident's mental or physical health or financial condition changes to the extent that such Resident (a) no longer meets the health and financial conditions required for occupancy at the Williamsburg Landing Assisted Living Center, or (b) is no longer capable of living in the Assisted Living Unit on the Effective Occupancy Date, as determined by the Medical Director for the Assisted Living Center, or (c) is unable to perform Resident's obligations in accordance with this Agreement. In the event of such automatic termination

prior to the Effective Occupancy Date, the refund provisions of Section F of Article VI shall govern as if this Agreement had been terminated by Owner.

(3) Termination Prior to Occupancy Pursuant to Statutory Requirements. This Agreement shall automatically terminate upon the legally required release of Escrow Deposits described in subsection B(1) of Article III as follows:

- a. if Resident has not initially occupied the Assisted Living Unit on or prior to the date which is three years after the date of this Residency Agreement; or
- b. upon death of Resident as provided in subsection C(1) of Article VI; or
- c. if the Assisted Living Unit has not been constructed and the construction of the Assisted Living Unit is stopped indefinitely; or
- d. upon any other termination of this Residency Agreement in accordance with its terms or under applicable law.

(4) Termination Upon Involuntary Closure of Williamsburg Landing. This Agreement shall automatically terminate upon the involuntary closure of Williamsburg Landing for any reason. Upon closure, Resident may be eligible as its sole remedy to receive a portion of the Entrance Fee on a pro-rata basis pursuant to Section G of Article VI, subsequent to Owner's satisfaction of any and all debts, liabilities and fees involved in such closure, and pursuant to any applicable state or federal laws governing such closure.

D. Release upon Termination.

(1) Upon the earlier of the vacation and release of the Assisted Living Unit or the termination of this Agreement, Owner shall have the right to take full control of the Assisted Living Unit, and Owner shall be released from any further obligation to Resident except for payment of any refund which may be due under this Agreement.

(2) Prior to or upon the termination of this Agreement, Resident or Resident's estate shall remove or cause to be removed all of Resident's personal property from Williamsburg Landing, and, upon payment of all sums due to Owner, Resident shall be released from all further obligation to Owner. In the event of failure of Resident to remove all personal property, Resident shall remain liable to Owner for any moving and storage charges incurred by Owner, pursuant to Section E below.

E. Disposition of Personal Property.

(1) In the event of termination of this Agreement as a result of the death of Resident, within seven (7) days after the date of death, any personal property of Resident that remains in the Assisted Living Unit shall be removed by Resident's

executor, authorized personal representative or administrator or, if no one has qualified or been appointed as executor, authorized personal representative or administrator, by any of Resident's relatives.

(2) In the event of termination of this Agreement for any reason other than the death of Resident, within fourteen (14) days after the effective date of termination, any personal property of Resident which remains in the Assisted Living Unit shall be removed by Resident or (if applicable) Resident's guardian, conservator or committee, or other authorized personal representative.

(3) Items not removed pursuant to this Section E. of Article VI or any other Section of this Agreement may be held in storage by Owner at Resident's expense, but after a period of thirty (30) days, such property may be sold or discarded by Owner. The sale proceeds shall be applied to the satisfaction of any payment due from Resident under this Agreement, the debt and expenses of the storage and sale, and the surplus, if any, shall be paid to the Resident or Resident's executor, authorized personal representative or administrator, or, if no one has been qualified or appointed as executor, authorized personal representative or administrator, to any of Resident's relatives designated by Owner.

(4) Resident agrees that Owner will not be held liable for misdelivery of personal effects pursuant to this Section E., provided that Owner shall exercise ordinary care in ascertaining the identity of the person to whom delivery is made.

F. Refund of Entrance Fee Prior to Effective Occupancy Date. If this Agreement is terminated prior to the Effective Occupancy Date, Owner will refund that portion of Resident's Entrance Fee paid within thirty (30) days after the effective date of such termination reduced by those costs specifically described in subsection B(1) of Article III.

G. Refund of Entrance Fee After Effective Occupancy Date.

(1) If this Agreement is terminated after the Effective Occupancy Date, by either Owner or Resident, Resident or Resident's estate shall be entitled to a refund of a portion of the Entrance Fee as described below. Such refund shall be due within thirty (30) days after the effective date of such termination. Resident or Resident's estate shall be entitled to a refund computed as follows:

- With respect to a Resident under the 50% Refundable Entrance Fee Plan, (1) if Resident has changed Resident's initial Assisted Living Unit, the Adjusted Entrance Fee (determined in accordance with Section B of Article I above) reduced by 4% per full or partial calendar month of occupancy for a continuous period of twelve calendar months and by 2% per full or partial thirteenth month of occupancy after the Effective Occupancy Date for the Assisted Living Unit initially occupied by Resident up through and including thirteen full or partial calendar months after such Effective Occupancy Date until the refund amount is reduced to 50% of the Adjusted Entrance Fee; or (2) if Resident has not changed Resident's initial

Assisted Living Unit, the Entrance Fee paid reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twelve full or partial calendar months and by 2% per full or partial thirteenth month of occupancy after the Effective Occupancy Date until the refund amount is reduced to 50% of the Entrance Fee paid by the Resident.

- With respect to a Resident under the 0% Refundable Entrance Fee Plan, (1) if Resident has changed Resident's initial Assisted Living Unit, the Adjusted Entrance Fee (determined in accordance with Section B of Article I above) reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date for the Assisted Living Unit initially occupied by Resident up through and including twenty-five full or partial calendar months after such Effective Occupancy Date until the refund amount is reduced to 0% of the Adjusted Entrance Fee; or (2) if Resident has not changed Resident's initial Assisted Living Unit, the Entrance Fee paid reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twenty-five full or partial calendar months after the Effective Occupancy Date until the refund amount is reduced to 0.

(2) For the purpose of determining the applicable percentage reduction to calculate the portion of the Entrance Fee to be refunded, the Assisted Living Unit or Nursing Center room shall be deemed to be occupied and the monthly percentage reduction described above shall continue to apply until all personal effects have been removed therefrom.

(3) Before making any refund, Owner may deduct any fees or charges due to Owner from Resident under the terms of this Agreement.

(4) If the Entrance Fee was paid on behalf of two joint residents occupying the Assisted Living Unit (regardless of whether either has permanently transferred to the Nursing Center), then, in the event of the termination of occupancy by one of such joint residents or by Owner, the Entrance Fee shall be deemed to have been paid on behalf of the remaining occupant whether residing in the Assisted Living Unit or the Nursing Center, as the case may be, and no refund shall be due by reason of only one of two residents terminating occupancy.

## **ARTICLE VII.**

### **PAYMENT OF MONTHLY SERVICE FEES DURING TRANSFERS**

A. Temporary Transfer to the Nursing Center. During a temporary transfer to the Nursing Center, Resident will continue to pay the Monthly Service Fee for the Assisted Living Unit as specified in Section A of Article IV.

B. Permanent Transfer to the Nursing Center. Upon the effective date of permanent transfer to the Nursing Center, the Monthly Service Fee for single or double occupancy of the Assisted Living Unit (as appropriate) will cease; however, failure to remove all personal property from the vacated unit within the required time as specified



in Section B of Article IV and Section E of Article VI will result in continuation of Monthly Service Fees until all personal property is removed.

C. Voluntary Transfers Between Assisted Living Units. If Resident is transferred voluntarily from one assisted living unit to another as specified in subsection B(1) of Article I, Monthly Service Fees will be paid as follows:

(1) If the new unit to be occupied is vacant with no Monthly Service Fee being collected, Monthly Service Fees on the new unit will commence on the earlier of the date on which Resident takes possession of the unit, or seven (7) days from the date the unit is available for occupancy by Resident. Monthly Service Fees on the unit being vacated will be discontinued on the date the unit is vacated.

(2) If the new unit to be occupied is occupied by another resident and Monthly Service Fees are being collected from that resident who is leaving Williamsburg Landing, Monthly Service Fees on the new unit to be occupied shall begin on the earlier of:

a. Seven (7) days after Owner completes renovation work, if any, and notifies Resident that the new unit is available for occupancy;

**or**

b. Resident occupies the new unit.

Monthly Service Fees on the unit being vacated will cease on the date the unit is vacated.

D. Transfer to Another Assisted Living Unit By Owner. If a transfer between assisted living units is being made by Owner as a result of a recommendation by the Medical Director for the Williamsburg Landing Assisted Living Center or a designee of that Medical Director as specified in subsection B(2) of Article I, Monthly Service Fees on the new unit will begin on the earlier of the date on which Resident takes possession of the unit, or seven (7) days from the date on which Resident is notified of the transfer decision by that Medical Director and Resident is notified that the new unit is ready for occupancy. Monthly Service Fees on the unit being vacated will cease on the date the unit is vacated.

## **ARTICLE VIII. MISCELLANEOUS**

A. Resident's Covenant of Performance. Resident hereby covenants to perform all of the obligations of Resident set forth in this Agreement, including but not limited to Resident's obligations to pay all fees and charges described in this Agreement. As provided in Section F of Article III above, Resident specifically covenants not to make gifts or expend Resident's personal assets in such a manner as to impair Resident's ability to meet Resident's financial obligations under this Agreement. Resident agrees to pay

reasonable attorney's fees to Owner in the event that any suit is brought by Owner to enforce the provisions of this Agreement against Resident or to terminate this Agreement for breach by Resident and Owner prevails.

B. Pets. Resident may be able to keep pets in accordance with the "Policies and Procedures" (as defined in Section H of this Article VIII).

C. Increase in Number of Occupants. Without the prior written permission of Owner, no person other than Resident may occupy the Assisted Living Unit except on an occasional basis as permitted by the Policies and Procedures. Guests staying for more than thirty (30) days in any twelve (12) month period must first obtain the prior written permission of Owner, and Owner will charge Resident a guest fee in accordance with Owner's then effective schedule of rates and charges. If such permission is granted, such persons shall acquire no rights or privileges in or under this Agreement.

D. Arrangements for Guardianship or Conservatorship. If Resident becomes legally incompetent or is unable to care properly for oneself or one's property, and if Resident has made no other designation of a person or legal entity to serve as Resident's legal guardian, conservator or committee, then (to the extent permitted by applicable law and regulations) Resident hereby agrees that Owner or a duly authorized officer of Owner, may act as Resident's legal guardian, conservator or committee when qualified according to law or may seek the appointment of another guardian, conservator or committee, and in either case Resident agrees that any cost associated with the attempted qualification and service of a guardian, conservator or committee shall be paid by Resident or from the assets of Resident.

E. Character, Health, Credit and Financial Conditions. The information submitted by Resident to Owner in making application for residence at Williamsburg Landing is made a part hereof and includes all information to be provided hereafter pursuant to this Section. Resident acknowledges that Owner will rely on such information in determining eligibility for residency at Williamsburg Landing. This Agreement will be signed by the parties hereto subject to the following specific health and financial conditions:

(1) Resident shall provide a report of physical examination, which examination must be conducted within thirty (30) days prior to admission, by Resident's personal physician on forms provided by Owner. Owner may require that such report be reviewed by the Medical Director for the Williamsburg Landing Assisted Living Center or a designee of that Medical Director and, in the event that Resident's reported physical condition does not meet the standards of Owner for entry into the Assisted Living Center upon notice by Owner to Resident, this Agreement shall be rescinded, and Resident shall be entitled to a refund of any portion of the Entrance Fee paid by Resident, as provided herein.

(2) Prior to the Effective Occupancy Date, Resident shall provide to Owner an updated financial statement in a form provided by Owner. Resident shall provide to Owner updated financial statements thereafter not less often than once every

fifth year following the Effective Occupancy Date. All information so provided shall be confidential and shall not be disclosed to others except to the extent necessary to conduct the business of Williamsburg Landing. Owner may, on or before the Effective Occupancy Date and from time to time thereafter, undertake a credit check, and Resident hereby consents thereto. In the event that Resident's credit or financial condition does not meet the standards of Owner for residents seeking accommodations of the type selected by Resident, Resident shall be given the choice of accepting a less costly assisted living unit for which Resident is qualified, if available, or terminating this Agreement. In the event of selection of a less costly assisted living unit, Resident shall be entitled to a refund of any excess Entrance Fee paid, less any amount necessary to cover costs incurred by Owner in connection with the originally selected assisted living unit. In the event of termination, Resident shall be entitled to a refund of any portion of the Entrance Fee paid.

If Resident has made any material misrepresentations or omission on the Future Residency Application, or in any other financial or medical information submitted to Owner, with respect to the amount of Resident's income, expenses or assets or the condition of Resident's mental and physical health, which misrepresentations or omissions allowed Resident to qualify for acceptance at Williamsburg Landing when Resident would not otherwise have done so, Resident will be given written notice of the alleged misrepresentation or omission and Owner may take all available action in response to such misrepresentation or omission, including termination of this Agreement in accordance with subsection B(4) of Article VI.

In conformance with Virginia and federal laws and regulations, Owner shall use its best efforts to provide to the care giving facility to which Resident may transfer any information related to Resident concerning Resident's character, health, credit or financial condition as is necessary to ensure continuity of care and services and Resident hereby consents to such disclosure.

F. Responsibility for Damages. Any loss or damage to real or personal property of Owner caused by the intentional or negligent acts of Resident or Resident's invitees shall be paid for by Resident. If any intentional or negligent act of another resident or the invitee of another resident results in injury, illness or damage to Resident, Owner assumes no responsibility therefor, and Resident hereby releases and discharges Owner from any liability or responsibility for injury or damage to Resident or to Resident's personal property caused by the fault or negligence of other residents or their invitees.

G. Responsibility for Protection of Resident's Property. Owner shall not be responsible for the loss of any personal property belonging to Resident due to theft, fire, or any other cause, unless such property has been specifically entrusted in writing to the care and control of Owner, and then Owner shall only be responsible for the lack of ordinary care in the safeguarding of such property. Resident shall have the responsibility of providing any insurance desired by Resident to protect against any such loss.

H. Policies and Procedures. Owner reserves the right to adopt such reasonable policies and procedures for the operation of Williamsburg Landing as Owner, in its sole discretion, determines necessary and to amend such policies and procedures

from time to time as Owner may deem necessary ("Policies and Procedures"). Copies of Policies and Procedures shall be available at all times in the administration office of Williamsburg Landing. Such Policies and Procedures are hereby incorporated into this Agreement by this reference, and Resident hereby agrees to abide by such Policies and Procedures, as in effect from time to time.

Resident acknowledges receipt of a copy of the Residents' Manual prior to execution hereof.

I. Reservation of Right to Inspect. Owner reserves the right to enter the Assisted Living Unit, at all reasonable times upon reasonable notice to Resident, for all reasonable purposes, including, but not limited to the following purposes:

(1) to assure the health, safety and welfare of Resident and other residents of Williamsburg Landing;

(2) to make repairs and perform maintenance; and

(3) to comply with rules, regulations and directives prescribed by any legal authorities, local, state or federal, or as may be required by the terms of any loan or financing document.

J. Alterations, Additions, Use and Condition of Assisted Living Unit. Resident shall make no structural alteration, modification or additions or physical changes of any type to the Assisted Living Unit without the prior written consent of Owner. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of Owner. Title to all such alterations, modifications, additions and changes to the Assisted Living Unit shall immediately vest in Owner and remain the property of Owner.

Resident hereby agrees that Resident shall not use the Assisted Living Unit or permit the same to be used contrary to any federal, state or local law or the rules and regulations of Williamsburg Landing or in any manner that would cause the value or the usefulness of the Assisted Living Unit to diminish (ordinary wear and tear excepted) or that would constitute a public or private nuisance or waste. Resident further agrees that Resident will not do or permit anything to be done on or about the Assisted Living Unit that will adversely affect any policies of insurance that are carried by Owner with respect to Williamsburg Landing. At the request of Owner, Resident will remove anything used or kept in the Assisted Living Unit that, in the sole opinion of Owner, is harmful to Williamsburg Landing or disturbing to other residents or that is objectionable to Owner's insurance companies or would cause such insurance companies to increase Owner's insurance rates. Upon termination of this Agreement, Resident, or those acting on Resident's behalf, shall leave the Assisted Living Unit empty of personal property and in good and broom clean condition except for reasonable wear and tear, and Resident shall be liable to Owner for any costs incurred in restoring the Assisted Living Unit to empty of personal property and in good and broom clean condition except for costs incurred as a result of reasonable wear and tear.

K. No Property Interest. Resident acknowledges that this Agreement grants Resident a contractual right of occupancy at Williamsburg Landing upon the terms and conditions stated in this Agreement and that Resident is not a lessee or owner of a life estate or any other interest in real property by virtue of this Agreement. The rights and privileges granted to Resident by this Agreement are not proprietary and do not include any right, title or interest in any part of the personal property, land, buildings and improvements owned or administered by Owner.

L. Events Beyond Owner's Control which May Prevent Performance. Owner shall not be required to perform any term, condition or covenant in this Agreement so long as such performance is delayed or prevented by Acts of God, strikes, lockouts, material or labor shortages or failures, pandemics, restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of Owner and which, by the exercise of ordinary care Owner is unable, wholly or in part, to prevent or overcome.

M. Subordination to Financing. Owner represents to Resident and Resident acknowledges, that Williamsburg Landing is and may be further encumbered by liens as security for indebtedness incurred in connection with the construction and/or operation of Williamsburg Landing. Resident further acknowledges that Resident's right to occupancy, services and refund of the Entrance Fee pursuant to the terms of this Agreement are subordinate to the rights of all holders of such liens. Resident also agrees that Resident's right to occupancy, services and refund of the Entrance Fee shall be and remain subordinate to any future debt financing for which Owner may hereafter contract.

N. Payment Arrangements Not a Loan. Owner and Resident intend that the payment arrangements under this Agreement compensate Owner for the provision of services pursuant to this Agreement and are not a loan of funds.

O. Assignability. This Agreement shall not be assigned by Resident, either in whole or in part, and the right to reside in the Assisted Living Unit may not be subcontracted. Owner may, however, assign this Agreement in whole or in part to a successor owner or to a lender, either outright or as security for any indebtedness of Owner, without the consent of Resident. Resident hereby consents to any and all such assignments by the execution of this Agreement.

P. Waiver of Breach. Any waiver by Owner of any covenant or condition of this Agreement, including but not limited to waivers pursuant to Section E of Article III hereof, must be in writing, signed by Owner, shall extend to the particular case only, for the particular time only, and only in the manner specified in such waiver, and shall not be construed as applying to or in any way waiving any further, subsequent or other rights.

Q. Binding Effect. This Agreement and all rights and obligations hereunder shall be binding upon and inure to the benefit of Owner, its successors and assigns, and to the benefit of Resident, Resident's respective heirs, assigns, and personal representatives, in accordance with its terms, and shall also specifically inure to the benefit of any mortgagee, assignee or lender.

R. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

S. Partial Illegality. If any clause or provision of this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be void, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. If any such clause or provision is deemed to be not in conformity with the appropriate laws and regulations, such portion shall be deemed to have been modified by the parties to be in accordance with such laws and regulations, and the validity of the balance of this Agreement shall not be affected.

T. Power of Attorney. Upon Owner's request, Resident shall execute and maintain in effect a Power of Attorney and Advance Medical Directive designating as Resident's Attorney-in-fact and agent, respectfully, a bank or a responsible person selected by Resident to act for Resident in the event Resident may become unable to handle Resident's affairs. Such Power of Attorney and Advance Medical Directive shall be in a form satisfactory to Owner with a copy thereof being furnished to Owner.

U. Governing Law. This Agreement shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

V. Right of Rescission. Virginia law provides that Resident shall have the right to rescind this Agreement without penalty or forfeiture, within seven (7) days after making the deposit or executing this Agreement. Resident shall not be required to occupy the Assisted Living Unit prior to the expiration of the seven-day rescission period.

W. Complaint Resolution/Concerns. It is the intent of Williamsburg Landing, Inc. that all Residents entitled to occupy the Assisted Living Unit pursuant to this Agreement are able to freely and openly express complaints or concerns so that prompt and fair resolution can be accomplished. Complaints or concerns (beneficial suggestions or requests for change) are normally forwarded to the President/CEO or the President/CEO's designee who in consultation (as the President/CEO deems necessary) with the President of Residents' Association, the appropriate Residents' Association Committee and/or Residents' Council shall seek to resolve the issue.

Complaints resulting from failure to resolve issues in the manner described above may be lodged with the Williamsburg Landing Corporate Board. For presentation to the Corporate Board, Resident, if entitled to occupy the Assisted Living Unit pursuant to this Agreement, shall submit the complaint to the President of the Williamsburg Landing Residents' Association who, as member of the Corporate Board, shall present the complaint to the Chairman of the Corporate Board, with a copy to the President/CEO, for disposition pursuant to the policies and procedures as may be established from time to time by the Corporate Board. The Williamsburg Landing Corporate Board is ultimately responsible for resolving such complaints.

X. Arbitration. A Resident's sole remedy for resolving or deciding any legal dispute, controversy or claim, including any claim for monetary damages, against Williamsburg Landing shall be by binding arbitration in James City County, Virginia, or at such other location that is mutually convenient to Resident and Owner, in accordance with the Rules of the American Arbitration Association currently in effect, as modified by any other instructions that the parties may mutually agree upon at the time. Claims or disputes subject to binding arbitration shall include, without limitation, those arising out of the terms of any Residency Agreement, residency at Williamsburg Landing, a Resident's occupancy or intended occupancy of any premises or the provision of any services to a Resident by Williamsburg Landing, including but not limited to disputes, demands or claims arising from any contracts or agreements, express or implied; disputes or claims arising from the negligence, gross negligence or intentional acts of Resident, Resident's guests or Owner; disputes or claims arising from any fraud or misrepresentation on the part of Resident or Owner; and, disputes and claims based on any federal or state statutory or common law theory, including, without limitation, any law governing or regulating discrimination or accommodation in the provision of premises, services, residency or public accommodation, and, provided, such claims and disputes (i) are of a nature or type that can be submitted to arbitration for a decision, (ii) cannot be resolved or settled by the parties pursuant to preceding sections or the section above entitled "Complaint Resolutions/Concerns," (iii) are not subject to a signed opt out agreement, or (iv) are not excluded from being subject to this arbitration provision pursuant to law.

In consideration of entering into this Residency Agreement, Resident understands and consents to binding arbitration as the sole remedy as set forth above. Resident further understands and acknowledges that in agreeing to arbitration, Resident waives Resident's rights to have any dispute or claim decided in a court of law before a judge or a jury, or otherwise to avail himself or herself of legal remedies other than binding arbitration.

Resident's agreement to binding arbitration is not a condition to a Resident's admission. Therefore, Resident may opt out of arbitration as a sole remedy by signing an "opt out agreement" contemporaneous with the signing of this Agreement, or may do so within thirty (30) days of the date this Agreement is signed, by entering into a separate "opt out" of arbitration agreement. If an opt out agreement is not signed contemporaneous with Resident's signature herein, or within thirty (30) days thereafter, Resident agrees that Resident's sole remedy for resolving any legal dispute, controversy or claim shall be by binding arbitration, as described above.

Owner's remedies shall not be limited to arbitration and shall include but not be limited to any action at law or equity in any court of competent jurisdiction, at Owner's discretion.

In the event of any such arbitration, the controversy or dispute shall be submitted to and, to the extent possible, resolved by one arbitrator mutually selected by the parties. If the parties are unable to mutually agree, each of them shall select one arbitrator and the two arbitrators so selected shall select the third arbitrator; the decision of a majority of such arbitrators shall bind the parties. In the event either party does not select its

arbitrator and give notice to the other as herein provided within fifteen (15) days after any notification of any demand for arbitration hereunder, such arbitrator shall be selected by the American Arbitration Association. The arbitrator(s) shall promptly obtain such information regarding the matter as the arbitrator(s) shall deem advisable and shall decide with dispatch the matter in accordance with applicable law, equitable principles and community and industry standards, but shall not modify the terms of this Agreement. The arbitrator(s) shall render a written award which shall be delivered to the parties. The decision of the arbitrator shall be final and binding upon the parties and may be enforced in any court of competent jurisdiction. Each party shall bear its own costs and expenses, including attorney's fees, in any such proceeding, except that at the time of rendering the award, the arbitrator(s) shall establish the arbitrator's (their) fee and expenses in connection therewith. Such fees and expenses shall be allocable by the arbitrator(s) in the arbitrator's (their) award. Written notice of demand for arbitration shall be filed by certified mail within fifteen (15) days of the mailing of the decision by the Williamsburg Landing Corporate Board pursuant to the preceding paragraph. Time is of the essence and failure to file within said time shall terminate this and all other remedies of Resident.

Resident specifically agrees that notwithstanding anything to the contrary, the rights and obligations set forth in this Section X of Article VIII Arbitration survive (i) the termination of this Agreement by either party or (ii) the default of this Agreement by either party. The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Resident further agrees that any dispute brought by Resident involving Owner's affiliates, directors, officers, employees and agents shall also be subject to this Section X of Article VIII Arbitration as set forth herein, and shall not be pursued in a court of law and, further, that arbitration will be limited to the parties specified herein.

Y. Entire Contract. Resident hereby acknowledges that Resident has read this Residency Agreement in its entirety. This Agreement constitutes the entire Agreement between Owner and Resident. **Owner is not liable for, nor bound in any manner by, any statements, representations, or promises made by any person representing or purporting to represent Owner, unless such statements, representations, or promises are set forth in this Agreement.** This Agreement supersedes all previous agreements between the parties, including any Reservation Application for Williamsburg Landing executed by Resident.



IN WITNESS WHEREOF, Owner has executed this Residency Agreement, by its duly authorized representative, and Resident has executed this Residency Agreement, in his or her own name, all as of the date first above written.

**ATTEST:**

**WILLIAMSBURG LANDING, INC.**

\_\_\_\_\_

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

Date: \_\_\_\_\_

**WITNESS:**

**RESIDENT:**

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

**Arbitration Opt Out**

I have read and understood the provisions in Section X of Article VIII Arbitration and hereby opt out of the arbitration provisions. I understand that I may avail myself of any legal remedies I have in a court of law for any claim, dispute or controversy I have with Williamsburg Landing in lieu of arbitration as a result of my decision to opt out of arbitration as my sole remedy.

**RESIDENT:**

\_\_\_\_\_

\_\_\_\_\_

# Assisted Living Facility Liability Insurance Disclosure Notification Form

Required by the Virginia Department of Social Services  
as specified in 22 VAC 40-73-390 A 4 m

This facility maintains liability insurance that provides at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from negligent acts of the facility.

Yes

No

---

Resident signature

Date

---

Resident signature

Date

---

Licensee/Administrator signature

Date

**WILLIAMSBURG LANDING, INC.**

**WOODHAVEN MANOR/WOODHAVEN HOUSE**

**ACKNOWLEDGEMENT OF RECEIPT OF  
ASSISTED LIVING FACILITY DOCUMENTS**

Woodhaven Manor and Woodhaven House at Williamsburg Landing (the “**facility**”) are currently licensed by the Virginia Department of Social Services as an Assisted Living Facility. This Acknowledgement of Receipt is intended to comply with the regulatory requirements for licensed assisted living facilities at 22VAC40-73-390.

Resident Name(s): \_\_\_\_\_

By signing below, the above name resident or his or her legal representative acknowledges the following as of the date of his or her signature hereof:

1. Requirements or rules regarding resident conduct, other restrictions, or special conditions have been reviewed by the resident or his legal representative;
2. The resident or his legal representative has been informed of the policy regarding the amount of notice required when a resident wishes to move from the facility;
3. The resident has been informed of the policy regarding pets living in the facility;
4. The resident has been informed of the policy regarding weapons;
5. The resident or his legal representative or responsible individual has reviewed § [63.2-1808](#) of the Code of Virginia, Rights and Responsibilities of Residents of Assisted Living Facilities, and that the provisions of this statute have been explained to him;
6. The resident or his legal representative or responsible individual has reviewed and had explained to him the facility's policies and procedures for implementing § [63.2-1808](#) of the Code of Virginia;
7. The resident has been informed and had explained to him that he may refuse release of information regarding his personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility, notwithstanding any regulatory requirements for assisted living facilities in 22VAC40-73;
8. The resident has been informed that interested residents may establish and maintain a resident council, that the facility is responsible for providing assistance with the formation and maintenance of the council, whether or not such a council currently exists in the facility, and the general purpose of a resident council;
9. The resident has been informed of the bed hold policy in case of temporary transfer or movement from the facility, if the facility has such a policy;
10. The resident has been informed of the policy or guidelines regarding visiting in the facility, if the facility has such a policy or guidelines;

11. The resident has been informed of the rules and restrictions regarding smoking on the premises of the facility;
12. The resident has been informed of the policy regarding the administration and storage of medications and dietary supplements;
13. The resident has been notified in writing whether or not the facility maintains liability insurance that provides at least the minimum amount of coverage established by the board for disclosure purposes to compensate residents or other individuals for injuries and losses from negligent acts of the facility.
14. The resident has received written assurance that the facility has the appropriate license to meet his care needs at the time of admission;
15. The resident has received a copy of the Notice of Privacy Practices of the facility; and
16. The resident has received a copy of the Disclosure Statement required by the Virginia Department of Social Services.

\_\_\_\_\_  
Signature of Resident or Resident's Legal Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Resident or Resident's Legal Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Facility Representative

\_\_\_\_\_  
Date

**§ 63.2-1808. Rights and responsibilities of residents of assisted living facilities; certification of licensure.**

A. Any resident of an assisted living facility has the rights and responsibilities enumerated in this section. The operator or administrator of an assisted living facility shall establish written policies and procedures to ensure that, at the minimum, each person who becomes a resident of the assisted living facility:

1. Is fully informed, prior to or at the time of admission and during the resident's stay, of his rights and of all rules and expectations governing the resident's conduct, responsibilities, and the terms of the admission agreement; evidence of this shall be the resident's written acknowledgment of having been so informed, which shall be filed in his record;
2. Is fully informed, prior to or at the time of admission and during the resident's stay, of services available in the facility and of any related charges; this shall be reflected by the resident's signature on a current resident's agreement retained in the resident's file;
3. Unless a committee or conservator has been appointed, is free to manage his personal finances and funds regardless of source; is entitled to access to personal account statements reflecting financial transactions made on his behalf by the facility; and is given at least a quarterly accounting of financial transactions made on his behalf when a written delegation of responsibility to manage his financial affairs is made to the facility for any period of time in conformance with state law;
4. Is afforded confidential treatment of his personal affairs and records and may approve or refuse their release to any individual outside the facility except as otherwise provided in law and except in case of his transfer to another care-giving facility;
5. Is transferred or discharged only when provided with a statement of reasons, or for nonpayment for his stay, and is given reasonable advance notice; upon notice of discharge or upon giving reasonable advance notice of his desire to move, shall be afforded reasonable assistance to ensure an orderly transfer or discharge; such actions shall be documented in his record;
6. In the event a medical condition should arise while he is residing in the facility, is afforded the opportunity to participate in the planning of his program of care and medical treatment at the facility and the right to refuse treatment;
7. Is not required to perform services for the facility except as voluntarily contracted pursuant to a voluntary agreement for services that states the terms of consideration or remuneration and is documented in writing and retained in his record;
8. Is free to select health care services from reasonably available resources;

9. Is free to refuse to participate in human subject experimentation or to be party to research in which his identity may be ascertained;
10. Is free from mental, emotional, physical, sexual, and economic abuse or exploitation; is free from forced isolation, threats or other degrading or demeaning acts against him; and his known needs are not neglected or ignored by personnel of the facility;
11. Is treated with courtesy, respect, and consideration as a person of worth, sensitivity, and dignity;
12. Is encouraged, and informed of appropriate means as necessary, throughout the period of stay to exercise his rights as a resident and as a citizen; to this end, he is free to voice grievances and recommend changes in policies and services, free of coercion, discrimination, threats or reprisal;
13. Is permitted to retain and use his personal clothing and possessions as space permits unless to do so would infringe upon rights of other residents;
14. Is encouraged to function at his highest mental, emotional, physical and social potential;
15. Is free of physical or mechanical restraint except in the following situations and with appropriate safeguards:
  - a. As necessary for the facility to respond to unmanageable behavior in an emergency situation, which threatens the immediate safety of the resident or others;
  - b. As medically necessary, as authorized in writing by a physician, to provide physical support to a weakened resident;
16. Is free of prescription drugs except where medically necessary, specifically prescribed, and supervised by the attending physician, physician assistant, or nurse practitioner;
17. Is accorded respect for ordinary privacy in every aspect of daily living, including but not limited to the following:
  - a. In the care of his personal needs except as assistance may be needed;
  - b. In any medical examination or health-related consultations the resident may have at the facility;
  - c. In communications, in writing or by telephone;
  - d. During visitations with other persons;

e. In the resident's room or portion thereof; residents shall be permitted to have guests or other residents in their rooms unless to do so would infringe upon the rights of other residents; staff may not enter a resident's room without making their presence known except in an emergency or in accordance with safety oversight requirements included in regulations of the Board;

f. In visits with his spouse; if both are residents of the facility they are permitted but not required to share a room unless otherwise provided in the residents' agreements;

18. Is permitted to meet with and participate in activities of social, religious, and community groups at his discretion unless medically contraindicated as documented by his physician, physician assistant, or nurse practitioner in his medical record;

19. Is fully informed, as evidenced by the written acknowledgment of the resident or his legal representative, prior to or at the time of admission and during his stay, that he should exercise whatever due diligence he deems necessary with respect to information on any sex offenders registered pursuant to Chapter 9 (§ [9.1-900](#) et seq.) of Title 9.1, including how to obtain such information. Upon request, the assisted living facility shall assist the resident, prospective resident, or the legal representative of the resident or prospective resident in accessing this information and provide the resident, prospective resident, or the legal representative of the resident or prospective resident with printed copies of the requested information; and

20. Is informed, in writing and upon request, of whether the assisted living facility maintains the minimum liability coverage, as established by the Board pursuant to subdivision A 10 of § [63.2-1805](#).

B. If the resident is unable to fully understand and exercise the rights and responsibilities contained in this section, the facility shall require that a responsible individual, of the resident's choice when possible, designated in writing in the resident's record, be made aware of each item in this section and the decisions that affect the resident or relate to specific items in this section; a resident shall be assumed capable of understanding and exercising these rights unless a physician determines otherwise and documents the reasons for such determination in the resident's record.

C. The rights and responsibilities of residents shall be printed in at least 12-point type and posted conspicuously in a public place in all assisted living facilities. The facility shall also post the name and telephone number of the regional licensing supervisor of the Department, the Adult Protective Services' toll-free telephone number, as well as the toll-free telephone number for the Virginia Long-Term Care Ombudsman Program, any sub-state ombudsman program serving the area, and the toll-free number of the Commonwealth's designated protection and advocacy system.

D. The facility shall make its policies and procedures for implementing this section available and accessible to residents, relatives, agencies, and the general public.

E. The provisions of this section shall not be construed to restrict or abridge any right that any resident has under law.

F. Each facility shall provide appropriate staff training to implement each resident's rights included in this section.

G. The Board shall adopt regulations as necessary to carry out the full intent of this section.

H. It shall be the responsibility of the Commissioner to ensure that the provisions of this section are observed and implemented by assisted living facilities as a condition to the issuance, renewal, or continuation of the license required by this article.

1984, c. 677, § 63.1-182.1; 1989, c. 271; 1990, c. 458; 1992, c. 356; 1993, cc. 957, 993; 1997, c. [801](#); 2000, c. [177](#); 2002, cc. [45](#), [572](#), [747](#); 2004, c. [855](#); 2006, c. [396](#); 2007, cc. [120](#), [163](#); 2013, cc. [320](#), [571](#).



**APPENDIX B3**

**FORM OF RESIDENCY AGREEMENT  
WILLIAMSBURG LANDING MEMORY SUPPORT HOME (WOODHAVEN HOUSE)  
ASSISTED LIVING UNIT**

**WILLIAMSBURG LANDING MEMORY SUPPORT HOME (WOODHAVEN HOUSE)  
RESIDENCY AGREEMENT  
FOR MEMORY SUPPORT ASSISTED LIVING UNIT**

between

**Williamsburg Landing, Inc.  
("Owner")**

and

\_\_\_\_\_  
("Resident")

**Residency Agreement Date:** \_\_\_\_\_

**Memory Support Assisted  
Living Unit Number:** \_\_\_\_\_

**Type Unit:** \_\_\_\_\_

**Location:** \_\_\_\_\_

**Entrance Fee Plan:**

50% Refundable Entrance Fee     0% Refundable Entrance Fee

**Total Entrance Fee:** \$ \_\_\_\_\_

**Minus Deposit(s) Paid:** \$ \_\_\_\_\_

**Minus Value of all other property transferred, including  
donations, subscriptions, fees and any other amounts  
paid or payable by, or on behalf of Resident** \$ \_\_\_\_\_

**Balance of Entrance Fee Due On Residency Agreement Date:** \$ \_\_\_\_\_

A fee of \$1,000.00 per person previously paid by Resident to Owner (the "Admissions Processing Fee") includes a portion of the costs of the required physical examination(s) of Resident and other expenses assessed by Owner, is not part of or credited against the Entrance Fee and, as such, is nonrefundable unless the Resident is not accepted for admission.

**Effective Occupancy Date:**

To Be Entered When Established: \_\_\_\_\_

**\*Initial Monthly Service Fee** \$ \_\_\_\_\_

(Initials of Resident's Agent \_\_\_\_\_ )

\*THE INITIAL MONTHLY SERVICE FEE IS AN ESTIMATE BASED UPON THE MONTHLY SERVICE FEE(S) IN EFFECT ON THE DATE OF THE EXECUTION OF THIS AGREEMENT. THE INITIAL ACTUAL MONTHLY SERVICE FEE(S) AND CREDIT(S) WILL BE IN THE AMOUNT OF THIS ESTIMATE UNLESS RESIDENT IS OTHERWISE NOTIFIED IN WRITING ON OR BEFORE THE EFFECTIVE OCCUPANCY DATE IS DETERMINED, SUBJECT TO INCREASE OR DECREASE SUBSEQUENT TO THE EFFECTIVE OCCUPANCY DATE AS PROVIDED IN THIS AGREEMENT.

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- (1) Assisted Living Facility Liability Insurance Disclosure Form
- (2) Acknowledgement of Receipt of Assisted Living Facility Documents

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**This RESIDENCY AGREEMENT** (the “Agreement”) is made on the date shown on the cover page between WILLIAMSBURG LANDING, INC., a Virginia non-profit corporation (“Owner”), and the person or persons listed on the cover page as Resident.

Owner operates “Williamsburg Landing,” a Continuing Care Retirement Community (CCRC) in James City County, Virginia, which provides housing and certain services for its residents.

Resident has applied for entry to Williamsburg Landing and submitted a Future Residency Application (“Future Residency Application”), a copy of which is attached and made a part of this Agreement. Owner, by the execution of this Agreement, has accepted the Future Residency Application, subject to the terms of this Agreement.

Owner and Resident, in consideration of the mutual covenants, agreements and undertakings set forth below, agree as follows:

**ARTICLE I.  
MEMORY SUPPORT ASSISTED LIVING UNIT**

A. Memory Support Assisted Living Unit. The memory support assisted living unit selected by Resident and to which Resident is assigned is shown on the cover page of this Agreement, and Resident shall have the privilege of occupying the agreed upon memory support assisted living unit or any other memory support assisted living unit to which Resident is at any time assigned (the “Memory Support Assisted Living Unit”) so long as Resident meets the terms and conditions of this Agreement and conforms to the policies and procedures of Owner. Owner agrees to furnish and maintain, at Owner’s expense, the following for the Memory Support Assisted Living Unit:

- (1) Heating and air conditioning units with individually controlled thermostats
- (2) Emergency call system
- (3) Smoke detectors

In addition, Owner will furnish mini-blinds and will furnish floor coverings consisting of wall-to-wall carpeting or hardwood flooring, except in bathrooms, for which vinyl or tile floor coverings shall be furnished. Replacement of floor coverings is at the sole discretion of Owner. All other furnishings shall be provided and maintained by Resident.

B. Unit Occupancy. The units covered by this Agreement are designated for those residents with memory support needs and are for single occupancy only.

## ARTICLE II. SERVICES PROVIDED

A. Residential Services Provided by Owner. Owner shall furnish the following services to all residents of Williamsburg Landing, the costs of which shall be covered by the Monthly Service Fees, except where specifically noted:

(1) Maintenance and Repairs. Owner will perform necessary repairs, maintenance and replacement of its own property and equipment, the common areas of Williamsburg Landing and the exterior and interior of the assisted living units. Repairs, maintenance and replacement of Resident's own property will be the responsibility of Resident.

(2) Security. Owner will equip the Memory Support Assisted Living Unit with a Nurse Call system which will be monitored on a 24 hour basis and an automatic smoke alarm. Owner will staff a security station and will patrol the grounds on a scheduled basis.

(3) Meals. Owner will operate at least one dining facility for three meals per day; included in the Monthly Service Fee are 3 meals per day for each Resident. Private dining facilities will be available to Resident to be used on a reserved basis at an additional charge to him. Special diets, as may be prescribed by Resident's physician, will be provided for Resident and Owner, at its discretion, may charge Resident the expense.

(4) Scheduled Transportation. Owner will provide scheduled transportation from Williamsburg Landing to local shopping areas and between the Williamsburg Landing Memory Support Home building and the Landing building. Transportation for medical treatment in the local Williamsburg area will be provided by Owner if Resident is unable to furnish Resident's own transportation. Transportation for other personal needs may be provided at an additional charge.

(5) Planned Activities. Owner will coordinate special events which may include such items as concerts, tours and cultural or social events. Additional charges may apply for participation in these activities.

(6) Management Services. Owner will provide professional management services to the community.

(7) Buildings and Grounds. Owner will maintain the common areas of all buildings and the grounds including the lawns, walkways and driveways.

(8) Utilities. Owner will furnish water, sewer, heat, light, power, air conditioning and local telephone service. Resident will pay for long distance telephone charges, cable television and internet access, if utilized.



(9) Housekeeping. Owner will clean the Memory Support Assisted Living Unit weekly.

(10) Laundry. Owner will provide personal laundry service.

(11) Taxes. Owner will pay all real and personal property taxes assessed against Owner.

B. Health Care Services Provided.

(1) Health Care Offered by Owner. The following health care services will be provided by Owner and included in the Monthly Service Fee:

- a. Emergency call system
- b. An Outpatient Clinic providing:
  - (i) initial health screenings for new Residents (weight check, blood pressure screening, nurse consultation)
  - (ii) blood pressure checks
  - (iii) phlebotomy service (does not include lab charges)
  - (iv) scheduled nurse consultation
- c. Initial one time nutrition counseling for new Residents (subsequent counseling is at Resident's expense)
- d. Subject to the review and approval of the Medical Director for the Nursing Center or that Medical Director's designee and the Medical Transfer procedures provided for in Article IV below and provided that Resident is an occupant of an Independent Living or Assisted Living Unit or Memory Support Assisted Living Unit during that calendar year, up to ten (10) days of care in the Nursing Center per calendar year (non-cumulative from year to year) on a private room (shared bath) basis.

Additional stays in the Nursing Center beyond such ten (10) days per calendar year (non-cumulative from year to year) of care, or stays in the Nursing Center that do not qualify for such ten (10) days, will be at Resident's expense at the then current rate for the applicable private room. For care in other than a private room (shared bath) basis during such ten (10) days, Resident will be charged the per diem private room rate, less the private room (shared bath) rate.

Nursing Center. Owner operates Woodhaven Hall (Williamsburg Landing Health and Rehabilitation Center), which is a nursing facility on site licensed by the Commonwealth of Virginia as a nursing home (the “Nursing Center”). Nursing care provided by Owner shall be limited to that care given in the Nursing Center or in another part of Williamsburg Landing designated by Owner. Resident may employ private duty nurses and sitters at Resident’s expense, but only after approval by Owner of the nurses and sitters and/or firm providing such nurses and sitters and subject to rules and regulations of Owner. Owner assumes no responsibility for overseeing such private duty providers of services.

Memory Support Home. Owner will provide assisted living services to Residents of the Williamsburg Landing Memory Support Home at Woodhaven at Williamsburg Landing and shall staff such with trained personnel. Typical services to be provided are as follows:

- a. Three nutritious meals daily, including special diets as may be prescribed by Resident’s physician
- b. Assistance with Activities of Daily Living as needed, including assistance in bathing
- c. Assistance with problems resulting from loss of speech, hearing or sight
- d. Administration of medication as needed
- e. Special treatments such as blood pressure checks
- f. Assistance in maintenance and housekeeping to provide a clean, safe environment
- g. Specialized activities programs for residents with memory impairment

Medical Director. Owner will designate as a medical director one or more a licensed physicians who shall be responsible for conferring with Owner on the access to and delivery of the health care services at Williamsburg Landing (each a “Medical Director”) and shall be available to Owner for advice and consultation.

(2) Additional Health Care Services. Additional health care services will be provided or made available through independent or related contractors approved by Owner. Resident will be responsible for paying the rates charged for any of these additional services utilized. Typical services to be provided are as follows:

- a. Primary care physician services

- b. Home health care
- c. Licensed nurses
- d. Physical therapists
- e. Occupational therapists
- f. Speech therapists
- g. Massage therapy
- h. Primary and specialty physicians services in the outpatient clinic
- i. Private duty sitting and nursing services

(3) Release of Resident Information. Resident hereby acknowledges and agrees that the Resident may refuse to allow the Facility to release any information regarding the Resident's personal affairs and records to any individual outside of the Facility, except when such release is required or permitted by applicable law or in the case of a transfer of the Resident outside the Facility.

C. Additional Services. Owner may offer other services in addition to those listed specifically in this Article II. If Resident chooses to accept those additional services, Resident agrees to pay all applicable additional charges.

D. Notice of Change in Services Provided or Fees. Thirty (30) days prior written notice shall be provided to Resident concerning any change that decreases the scope of services described in this Article II. A listing of charges for services provided by Owner that are not covered by the Monthly Service Fee will be available to all Residents. Thirty (30) days prior written notice shall be provided to Resident concerning increases in these charges or Monthly Service Fees.

### **ARTICLE III. FEES**

A. Effective Occupancy Date. The Effective Occupancy Date is the date upon which the Memory Support Assisted Living Unit is available for occupancy, regardless of whether the unit is physically occupied (the "Effective Occupancy Date"). Subject to the preceding sentence, the Effective Occupancy Date shall be mutually agreed upon and listed on the cover page of this Agreement. All applicable fees (See Sections B and C of Article III) will commence on the Effective Occupancy Date. The foregoing is subject to the seven (7) day right of rescission as set forth in Section V of Article VIII below.

B. Entrance Fee. In consideration of Owner making the Memory Support Assisted Living Unit and services available to Resident as described above, Resident agrees to pay an entrance fee in the amount shown on the cover page of this Agreement (the “Entrance Fee”) in the following manner:

- Resident may make partial payments of the Entrance Fee at any time prior to the Residency Agreement Date.
- The balance of the Entrance Fee is payable in full on or before the Residency Agreement Date.
- The 50% Entrance Fee Plan accrues to Owner at a rate of 4% per month beginning with the month of the Effective Occupancy Date or portion thereof until the last day of the twelfth consecutive month after the Effective Occupancy Date with the month in which the Effective Occupancy Date occurs being the first month of the twelve month period, then thereafter at a rate of 2% per calendar month or portion thereof until 50% of the Entrance Fee has been accrued. Thereafter, any refund to Resident will be limited to 50% of the Entrance Fee originally paid by the Resident less a sum equal to any costs owed Owner by Resident, and less any amount necessary to restore the Memory Support Assisted Living Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI for specific refund information.
- The 0% Entrance Fee Plan accrues to Owner at a rate of 4% per month beginning with the month (such accrual shall apply to partial months even if the Effective Occupancy Date is other than the first day of a month or this Agreement terminates on other than the last day of a month) of the Effective Occupancy Date until the entire Entrance Fee paid has been accrued. Prior to such full accrual by Owner, Resident may be due a refund of the Entrance Fee paid by the Resident less a percentage thereof equal to 4% times the number of months (or partial months) of occupancy, less any costs owed Owner by Resident, and less any amount necessary to restore the Memory Support Assisted Living Unit to an acceptable condition (except for reasonable wear and tear). Refer to Article VI for specific refund information.

In the event that payment of the Entrance Fee is delayed beyond the Effective Occupancy Date for any reason, Resident will be liable for payment of Monthly Service Fees commencing on the Effective Occupancy Date. A delay of full payment of the Entrance Fee beyond thirty (30) days after the Effective Occupancy Date will be considered a voluntary termination of this Agreement by Resident after the Effective Occupancy Date and the terms of Section A of Article VI will apply.

(1) Escrow Account. Prior to the Effective Occupancy Date, all sums (except less \$1000 held by Owner, which amount is non-refundable except if Resident dies before occupying the Residential Unit, or is later precluded through illness, injury or incapacitation from becoming a resident and less the Admissions Processing Fee) received from Resident for entrance fees or portions of entrance fees pursuant to this Agreement will be deposited by Owner into an escrow account maintained at a financial institution designated by Owner (the "Escrow Agent"), pursuant to the terms and provisions of an escrow agreement ("Escrow Agreement") by and between Owner and the Escrow Agent. All such escrowed sums ("Escrow Deposits") will remain the property of Resident until released to Owner as hereinafter provided. No interest shall be due or payable to Resident on such sums and all interest earned on such sums is to be paid to Owner. All Escrow Deposits shall be released to Owner on the earliest date when Owner presents to the Escrow Agent evidence that: (i) Resident has commenced occupancy at Williamsburg Landing in the Memory Support Assisted Living Unit; or (ii) Resident occupies the selected Memory Support Assisted Living Unit; or (iii) the selected Memory Support Assisted Living Unit is available for immediate occupancy. If Resident dies before occupying the Memory Support Assisted Living Unit, or is later precluded through illness, injury or incapacitation from becoming a resident under the terms of this Residency Agreement, Resident shall receive a refund of the Escrow Deposits, without interest, reduced by those costs, if any, specifically incurred by Owner at the request of Resident including, but not limited to, costs of changes to the Memory Support Assisted Living Unit as set forth in a separate written Addendum signed by both Resident and Owner. However, any interest earned on such sums will be paid to Owner. Any costs and expenses incurred by the Escrow Agent in the administration of such escrow account shall be payable from such interest earnings, but if such interest earnings are insufficient, such costs and expenses may be deducted from the amount of Resident's deposit.

(2) Refund of Entrance Fee. A portion of the Entrance Fee shall be refunded by Owner to Resident under the terms and provisions of Section B of Article IV and Article VI of this Agreement.

C. Monthly Service Fee. Resident shall pay Owner a monthly service fee (the "Monthly Service Fee") for certain services provided to Resident, as more fully described above, and to pay for a portion of the construction and financing costs of Williamsburg Landing. The Monthly Service Fee shall be payable in advance on the first day of each month until the applicable date specified in this Agreement pursuant to Article VI. hereof. The full Monthly Service Fee for the month in which the Effective Occupancy Date occurs shall be due in advance on the Effective Occupancy Date. A prorated credit for the portion, if any, of the month of occupancy from the first day of such month to the Effective Occupancy Date will be applied to the first regular Monthly Service Fee following such month.

The actual Monthly Service Fee for initial occupancy will be established prior to the Effective Occupancy Date. Written notice of any such change to the Monthly Service Fee shall be given to Resident no later than thirty (30) days prior to the Effective Occupancy

Date. Subsequent to the Effective Occupancy Date, Owner may increase or decrease the Monthly Service Fee after giving thirty (30) days prior written notice to Resident.

D. Other Fees.

(1) Admissions Processing Fee. The Admissions Processing Fee of \$1,000.00 per person previously paid by Resident prior to the execution of this Agreement covered a portion of the costs and expenses incurred by Owner, and as such, is not part of or credited against the Entrance Fee. The Admissions Processing Fee is nonrefundable, fully earned by and becomes the property of Owner upon payment, unless admission is denied by Owner in which event it will be refunded. No interest shall be payable or otherwise credited to Resident on the Admissions Processing Fee.

(2) Fees For Additional Services. Owner may provide additional services which are not included in the Monthly Service Fee for which an additional charge may be made pursuant to Owner's published fee schedule.

E. Nonpayment of Fees. In the event that payment of the Entrance Fee is delayed beyond the Effective Occupancy Date for any reason, Resident will be liable for payment of Monthly Service Fees commencing on the Effective Occupancy Date. A delay of full payment of the Entrance Fee beyond thirty (30) days after the Effective Occupancy Date will be considered a voluntary termination of this Agreement by Resident after the Effective Occupancy Date and the terms of Section A of Article VI will apply. Owner may terminate this Agreement for nonpayment of the Monthly Service Fee if such nonpayment is not cured within thirty (30) days of the date Owner gives written notice of the overdue payment to Resident.

F. Benevolence. Notwithstanding the provisions of Section E of Article III above, it is the policy of Owner not to terminate a Resident's occupancy because of financial inability to pay all or part of the Monthly Service Fee and other fees, provided that Resident is otherwise in compliance with the terms of this Agreement and provided, further, that Resident establishes facts to justify a waiver or reduction of the Monthly Service Fee and any other such fees. Such waiver or reduction can be granted, based solely on the opinion of Owner and compliance of the request with the Benevolence policies established by the Board of Williamsburg Landing, without impairing the ability of Owner to operate Williamsburg Landing on a sound financial basis. To justify a waiver or reduction of the Monthly Service Fee, Resident must prove conclusively to Owner that inability to pay is due to financial reverses over which Resident had no control or is due to depletion of Resident's assets in a reasonable manner by the passage of time. Resident shall not, without Owner's consent, have impaired Resident's ability to meet the financial obligations of this Agreement by reason of expending and/or transferring Resident's income or assets after execution of this Residency Agreement, other than to meet ordinary and customary living expenses.

To the extent that the Monthly Service Fee or other fee(s) are waived or reduced, Owner will have a claim against Resident's remaining estate and a right to set off against any refund of the Entrance Fee to which Resident or Resident's estate may be entitled under this Agreement. Resident hereby agrees that, in consideration of such reduction:

(1) Resident shall transfer to another assisted living unit upon request by Owner, if and when available;

(2) Resident shall not sell or otherwise transfer any real or personal property, financial assets or income without the written consent of Owner;

(3) Resident shall enter into such agreements, powers of attorney, assignments or transfers as may be required for the purpose of making available to Resident and Owner any other assets of Resident to offset such financial needs;

(4) Resident shall promptly provide periodic statements of financial condition and copies of income tax returns as the same may be requested from time to time by Owner; and

(5) Resident shall notify Owner of any and all assets acquired thereafter through any means whatsoever, and shall assign or pay such property received to Owner in an amount equivalent to the total cumulative monthly or other fee reductions which have been allowed to Resident.

If the conditions of this Agreement for waiver or reduction of the Monthly Service Fee cannot be met, and Resident fails to pay such fee in full, interest may be charged on past due fees and charges and/or Owner may terminate this Agreement as provided above.

G. Monthly Statement of Charges and Payments. On a monthly basis, the Facility will provide the Resident and Resident's Agent with a monthly statement with respect to the immediately preceding month that shows an itemization of any charges made by the Facility during such month (including the Monthly Service Fee and any additional fees charged for additional services) and any payments received by the Facility from the Resident or on the Resident's behalf. Such monthly statement shall also show the balance due for such month and any credits for overpayments previously made by the Resident. Such monthly statements shall be maintained in the Resident's record.

#### **ARTICLE IV. MEDICAL TRANSFER**

A. Procedure for Temporary Transfer to the Nursing Center. Temporary transfer of Resident to the Nursing Center will require the review and approval of the Medical Director for the Nursing Center or their designee. In the event of such temporary transfer, Resident shall continue paying the then effective Monthly Service Fee and shall continue to have the right to occupy the Memory Support Assisted Living Unit. After

Resident has received Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care in the Nursing Center, Resident shall pay a per diem charge in addition to the Monthly Service Fee for services received, in accordance with Owner's rates effective at that time for residents of Williamsburg Landing paying the Monthly Service Fee.

B. Procedure for Permanent Transfer to the Nursing Center. Whenever, in the opinion of Owner, a permanent transfer to the Nursing Center is required because Resident is no longer capable of living independently in the Memory Support Assisted Living Unit or is incapable of either managing Resident's properties or caring for Resident's self or both, Resident shall willingly transfer to the Nursing Center. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident and Resident's personal physician if different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative, and shall take into consideration the physical capacity of the facilities at Williamsburg Landing and the health, welfare, safety, comfort and well-being of Resident and other residents. Failure to transfer to the Nursing Center shall constitute a material breach of this Agreement by Resident and provide good cause for Owner to terminate this Agreement.

If Resident permanently transfers to the Nursing Center or an alternative facility, after Resident has used any remaining days of Resident's ten (10) days per calendar year (non-cumulative from year to year) of a private room (shared bath) care for the year in which Resident is so transferred, Resident shall pay for any nursing or health services in the Nursing Center on a per diem basis in accordance with Owner's rates for residents effective at that time. Effective upon the date of such permanent transfer, Resident shall no longer pay the Monthly Service Fee. After the initial calendar year during which such permanent transfer occurs, the ten (10) days per calendar year of care in the Nursing Center previously included in the Monthly Service Fee shall no longer be provided by Owner.

Upon Resident's permanent transfer to the Nursing Center, this Agreement shall not terminate, but upon Resident's permanent transfer to the Nursing Center the Memory Support Assisted Living Unit may be reoccupied by a successor resident or Owner.

C. Procedure for Temporary or Permanent Care in an Alternative Facility. Notwithstanding the procedures outlined in Section A or B of Article VI above, Owner may provide nursing care required by Resident either in Resident's Memory Support Assisted Living Unit or by contract in another licensed nursing home facility on a temporary basis if space is not available within the Nursing Center. Resident shall pay for care on the same basis as outlined in Section A or B of Article VI, except that Resident will not be required to pay more than Resident would be required to pay if space were available in the Nursing Center. Residents who receive care according to this Section will be offered care in the Nursing Center in such order as Owner deems to be in the mutual best interest of Owner and all such Residents, but prior to any admission of non-residents to the Nursing Center then seeking admission.



D. Procedure for Transfer to a Medical Institution. If circumstances arise which, in the opinion of Owner, necessitate the transfer of Resident to a hospital or other institutional medical facility, Owner will endeavor to assist Resident in locating an acceptable institution with a non-restrictive environment.

(1) Temporary Transfer to a Medical Institution. In the event that temporary transfer of Resident from Williamsburg Landing to an institutional medical facility is required as described above, Resident shall continue paying the then effective Monthly Service Fee.

(2) Permanent Transfer to a Medical Institution. If, in the opinion of Owner, a permanent transfer by Resident to an institutional medical facility is required because Resident is no longer capable of living independently in the Memory Support Assisted Living Unit or requires a different level of nursing or health care than is available in the Nursing Center, Resident shall transfer to such institutional medical facility as the Medical Director for the Nursing Center or their designee may direct. In making this decision, Owner shall consult with the Medical Director for the Nursing Center, Resident, Resident's personal physician if different from the Medical Director for the Nursing Center, legal guardian, spouse or closest relative and shall take into consideration the health, welfare, safety comfort and well-being of Resident and all residents of Williamsburg Landing.

If Resident transfers to an institutional medical facility as described above and such transfer is deemed permanent, this Agreement shall automatically terminate and a refund of a portion of Resident's Entrance Fee shall be granted in accordance with Section G of Article VI of this Agreement.

## **ARTICLE V. INSURANCE**

A. Medical Insurance and Long Term Care Insurance. Resident agrees to maintain health insurance coverage under Parts A and B of the Medicare Program. If Resident is not eligible for coverage under Parts A and B of the Medicare Program, Resident agrees to obtain equivalent insurance coverage acceptable to Owner. If Resident had long term care insurance in place at the time of approval for admission and existence of that insurance was considered as part of that Resident's financial approval, then Resident must maintain that insurance or equivalent coverage during the term of this Residency Agreement.

B. Liability and Casualty Insurance. Owner will maintain liability and casualty insurance coverage for all buildings, the contents of the common areas and miscellaneous scheduled property as deemed necessary by Owner. In addition, Owner will carry professional liability insurance coverage, boiler and machinery insurance coverage, as deemed necessary by Owner, and business interruption insurance coverage for loss of earnings/rent and extra expenses as deemed necessary by Owner.

C. Resident Provided Insurance. It is the responsibility of Resident to provide all personal property and liability insurance coverage desired by Resident, and Resident is required to secure and maintain in effect at all times a liability, fire and extended coverage policy or liability and casualty insurance policy, insuring Resident's tangible personal property against loss or damage by reason of fire or other casualty and protect Owner and Resident with regard to damage to property of others, personal injury and death. Owner's insurance will not protect Resident against theft or destruction of Resident's personal property whether located inside or outside the Memory Support Assisted Living Unit.

## **ARTICLE VI. TERMINATION AND REFUND**

A. Termination by Resident. Resident may terminate this Agreement at any time, both before and on or after the Effective Occupancy Date, by giving written notice to Owner. Such written notice shall state a date when termination is to become effective, and at or prior to such date Resident shall vacate and release the Memory Support Assisted Living Unit. On or after the Effective Occupancy Date, the notice of termination must be given at least thirty (30) days prior to the date on which Resident desires to terminate this Agreement and Resident shall continue to pay the Monthly Service Fee until the later of thirty (30) days after the date of such written notice of termination or until the Memory Support Assisted Living Unit is vacated and released.

B. Termination by Owner. Owner may not terminate this Agreement with Resident without good cause. Good cause shall be limited to: (i) proof that Resident is a danger to himself or others; (ii) non-payment by Resident of the Monthly Service Fee; (iii) repeated conduct by Resident that interferes with other residents' quiet enjoyment of any portion of Williamsburg Landing; (iv) persistent refusal to comply with reasonable written rules and regulations of Williamsburg Landing; (v) a material misrepresentation made intentionally or recklessly by Resident in Resident's application for residency or related materials, regarding information which, if accurately provided, would have resulted in either a failure of Resident to qualify for residency or a material increase in the cost of providing to Resident the care and services provided under the Residency Agreement; or (vi) material breach by Resident of the terms and conditions of the Residency Agreement.

If Owner seeks to cancel a Residency Agreement and terminate Resident's occupancy, Owner shall give Resident written notice of, and a reasonable opportunity to cure within a reasonable period, whatever conduct is alleged to warrant the cancellation of the Residency Agreement.

Upon such termination by Owner for any of the aforesaid reasons, Owner shall provide Resident and Resident's Agent with a dated and signed statement by the licensee, administrator or CEO of Williamsburg Landing which contains the following information: (a) date of notification of termination and person so notified; (b) reason(s) for termination; (c) action taken by Owner to assist Resident in the discharge and

relocation process; (d) date of actual termination and Resident's destination; and (e) in situations which present emergency conditions, such as where Resident presents a risk to the health, safety or welfare of Resident or others, the statement shall contain the above information if appropriate and such statement shall be provided or mailed to Resident within 48 hours from the time of the decision to terminate.

C. Automatic Termination.

(1) Termination by Death. This Agreement shall automatically terminate (a) immediately upon the death of Resident if such death occurs prior to the Effective Occupancy Date, or (b) if such death occurs on or after the Effective Occupancy Date, this Agreement shall then terminate but subject to the obligation of Resident's estate to pay the Monthly Service Fee until the earlier of thirty (30) days after such death or until the Memory Support Assisted Living Unit is vacated and released. In the event of death after the Effective Occupancy Date, the refund provisions of Section G of Article VI shall govern.

(2) Termination Prior to Occupancy. This Agreement shall automatically terminate prior to the Effective Occupancy Date as provided in preceding paragraph or if either Resident's mental or physical health or financial condition changes to the extent that Resident (a) no longer meets the health and financial conditions required for occupancy at the Williamsburg Landing Memory Support Home, or (b) is no longer capable of living in the Memory Support Assisted Living Unit on the Effective Occupancy Date, as determined by the Medical Director for the Assisted Living Center, or (c) is unable to perform Resident's obligations in accordance with this Agreement. In the event of such automatic termination prior to the Effective Occupancy Date, the refund provisions of Section F of Article VI shall govern as if this Agreement had been terminated by Owner.

(3) Termination Prior to Occupancy Pursuant to Statutory Requirements. This Agreement shall automatically terminate upon the legally required release of Escrow Deposits described in subsection B(1) of Article III as follows:

- a. if Resident has not initially occupied the Memory Support Assisted Living Unit on or prior to the date which is three years after the date of this Residency Agreement; or
- b. upon death of Resident as provided in subsection C(1) of Article VI; or
- c. if the Memory Support Assisted Living Unit has not been constructed and the construction of the Memory Support Assisted Living Unit is stopped indefinitely; or
- d. upon any other termination of this Residency Agreement in accordance with its terms or under applicable law.

(4) Termination Upon Involuntary Closure of Williamsburg Landing. This Agreement shall automatically terminate upon the involuntary closure of Williamsburg Landing for any reason. Upon closure, Resident may be eligible as its sole remedy to receive a portion of the Entrance Fee on a pro-rata basis pursuant to Section G of Article VI, subsequent to Owner's satisfaction of any and all debts, liabilities and fees involved in such closure, and pursuant to any applicable state or federal laws governing such closure.

D. Release upon Termination.

(1) Upon the earlier of the vacation and release of the Memory Support Assisted Living Unit or the termination of this Agreement, Owner shall have the right to take full control of the Memory Support Assisted Living Unit, and Owner shall be released from any further obligation to Resident except for payment of any refund which may be due under this Agreement.

(2) Prior to or upon the termination of this Agreement, Resident's Agent shall remove or cause to be removed all of Resident's personal property from Williamsburg Landing, and, upon payment of all sums due to Owner, Resident shall be released from all further obligation to Owner. In the event of failure of Resident to remove all personal property, Resident shall remain liable to Owner for any moving and storage charges incurred by Owner, pursuant to Section E below.

E. Disposition of Personal Property.

(1) In the event of termination of this Agreement as a result of the death of Resident, or as a result of Resident's permanent transfer to the Nursing Center, within five (5) days after the date of death or permanent transfer, any personal property of Resident that remains in the Memory Support Assisted Living Unit shall be removed by Resident's executor, authorized personal representative or administrator or, if no one has qualified or been appointed as executor, authorized personal representative or administrator, by any of Resident's relatives.

(2) In the event of termination of this Agreement for any reason other than the death of Resident, within fourteen (14) days after the effective date of termination, any personal property of Resident which remains in the Memory Support Assisted Living Unit shall be removed by Resident or (if applicable) Resident's guardian, conservator or committee, or other authorized personal representative.

(3) Items not removed pursuant to this Section E of Article VI or any other Section of this Agreement may be held in storage by Owner at Resident's expense, but after a period of thirty (30) days, such property may be sold or discarded by Owner. The sale proceeds shall be applied to the satisfaction of any payment due from Resident under this Agreement, the debt and expenses of the storage and sale, and the surplus, if any, shall be paid to the Resident or Resident's executor, authorized personal representative or administrator, or, if no one has been qualified or appointed as executor,

authorized personal representative or administrator, to any of Resident's relatives designated by Owner.

(4) Resident agrees that Owner will not be held liable for misdelivery of personal effects pursuant to this Section E., provided that Owner shall exercise ordinary care in ascertaining the identity of the person to whom delivery is made.

F. Refund of Entrance Fee Prior to Effective Occupancy Date. If this Agreement is terminated prior to the Effective Occupancy Date, Owner will refund that portion of Resident's Entrance Fee paid within thirty (30) days after the effective date of such termination reduced by those costs specifically described in subsection B(1) of Article III.

G. Refund of Entrance Fee After Effective Occupancy Date.

(1) If this Agreement is terminated after the Effective Occupancy Date, by either Owner or Resident, Resident or Resident's estate shall be entitled to a refund of a portion of the Entrance Fee as described below. Such refund shall be due within thirty (30) days after the effective date of such termination. Resident or Resident's estate shall be entitled to a refund computed as follows:

- With respect to a Resident under the 50% Refundable Entrance Fee Plan, the Entrance Fee paid reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twelve full or partial calendar months and by 2% per full or partial thirteenth month of occupancy after the Effective Occupancy Date until the refund amount is reduced to 50% of the Entrance Fee paid by the Resident.
- With respect to a Resident under the 0% Refundable Entrance Fee Plan, the Entrance Fee paid reduced by 4% per full or partial calendar month of occupancy after the Effective Occupancy Date up through and including twenty-five full or partial calendar months after the Effective Occupancy Date until the refund amount is reduced to 0.

(2) For the purpose of determining the applicable percentage reduction to calculate the portion of the Entrance Fee to be refunded, the Memory Support Assisted Living Unit or Nursing Center room shall be deemed to be occupied and the monthly percentage reduction described above shall continue to apply until all personal effects have been removed therefrom.

(3) Before making any refund, Owner may deduct any fees or charges due to Owner from Resident under the terms of this Agreement.

**ARTICLE VII.  
PAYMENT OF MONTHLY SERVICE FEES DURING TRANSFERS**

A. Temporary Transfer to the Nursing Center. During a temporary transfer to the Nursing Center, Resident will continue to pay the Monthly Service Fee for the Memory Support Assisted Living Unit as specified in Section A of Article IV.

B. Permanent Transfer to the Nursing Center. Upon the effective date of permanent transfer to the Nursing Center, the Monthly Service Fee for single or double occupancy of the Memory Support Assisted Living Unit (as appropriate) will cease; however, failure to remove all personal property from the vacated unit within the required time as specified in Section E of Article VI will result in continuation of Monthly Service Fees until all personal property is removed.

**ARTICLE VIII.  
MISCELLANEOUS**

A. Resident's Covenant of Performance. Resident and Resident's Agent hereby covenant to perform all of the obligations of Resident set forth in this Agreement, including but not limited to Resident's obligations to pay all fees and charges described in this Agreement. As provided in Section F of Article III above, Resident specifically covenants not to make gifts or expend Resident's personal assets in such a manner as to impair Resident's ability to meet Resident's financial obligations under this Agreement. Resident agrees to pay reasonable attorney's fees to Owner in the event that any suit is brought by Owner to enforce the provisions of this Agreement against Resident or to terminate this Agreement for breach by Resident and Owner prevails.

B. (THIS SECTION INTENTIONALLY LEFT BLANK).

C. (THIS SECTION INTENTIONALLY LEFT BLANK).

D. Arrangements for Guardianship or Conservatorship. If Resident becomes legally incompetent or is unable to care properly for oneself or one's property, and if Resident has made no other designation of a person or legal entity to serve as Resident's legal guardian, conservator or committee, then (to the extent permitted by applicable law and regulations) Resident hereby agrees that Owner or a duly authorized officer of Owner, may act as Resident's legal guardian, conservator or committee when qualified according to law or may seek the appointment of another guardian, conservator or committee, and in either case Resident agrees that any cost associated with the attempted qualification and service of a guardian, conservator or committee shall be paid by Resident or from the assets of Resident.

E. Character, Health, Credit and Financial Conditions. The information submitted on behalf of Resident to Owner in making application for residence at Williamsburg Landing is made a part hereof and includes all information to be provided hereafter pursuant to this Section. Resident acknowledges that Owner will rely on such

information in determining eligibility for residency at Williamsburg Landing. This Agreement will be signed by the parties hereto subject to the following specific health and financial conditions:

(1) Resident shall provide a report of physical examination, which examination must be conducted within thirty (30) days prior to admission, by Resident's personal physician on forms provided by Owner. Owner may require that such report be reviewed by the Medical Director for the Williamsburg Landing Assisted Living Center or a designee of that Medical Director and, in the event that Resident's reported physical condition does not meet the standards of Owner for entry into the Memory Support Home upon notice by Owner to Resident, this Agreement shall be rescinded, and Resident shall be entitled to a refund of any portion of the Entrance Fee paid by Resident, as provided herein.

(2) Prior to the Effective Occupancy Date, Resident shall provide to Owner an updated financial statement in a form provided by Owner. Resident shall provide to Owner updated financial statements thereafter not less often than once every fifth year following the Effective Occupancy Date. All information so provided shall be confidential and shall not be disclosed to others except to the extent necessary to conduct the business of Williamsburg Landing. Owner may, on or before the Effective Occupancy Date and from time to time thereafter, undertake a credit check, and Resident hereby consents thereto.

If Resident or Resident's Agent has made any material misrepresentations or omission on the Future Residency Application, or in any other financial or medical information submitted to Owner, with respect to the amount of Resident's income, expenses or assets or the condition of Resident's mental and physical health, which misrepresentations or omissions allowed Resident to qualify for acceptance at Williamsburg Landing Memory Support Home when Resident would not otherwise have done so, Resident will be given written notice of the alleged misrepresentation or omission and Owner may take all available action in response to such misrepresentation or omission, including termination of this Agreement in accordance with subsection B(4) of Article VI.

In conformance with Virginia regulations on licensed adult care residences, Owner shall use its best efforts to provide to the care giving facility to which Resident may transfer any information related to Resident concerning Resident's character, health, credit or financial condition as is necessary to ensure continuity of care and services and Resident hereby consents to such disclosure.

F. Responsibility for Damages. Any loss or damage to real or personal property of Owner caused by the intentional or negligent acts of Resident or Resident's invitees shall be paid for by Resident. If any intentional or negligent act of another resident or the invitee of another resident results in injury, illness or damage to Resident, Owner assumes no responsibility therefor, and Resident hereby releases and discharges

Owner from any liability or responsibility for injury or damage to Resident or to Resident's personal property caused by the fault or negligence of other residents or their invitees.

G. Responsibility for Protection of Resident's Property. Owner shall not be responsible for the loss of any personal property belonging to Resident due to theft, fire, or any other cause, unless such property has been specifically entrusted in writing to the care and control of Owner, and then Owner shall only be responsible for the lack of ordinary care in the safeguarding of such property. Resident shall have the responsibility of providing any insurance desired by Resident to protect against any such loss.

H. Policies and Procedures. Owner reserves the right to adopt such reasonable policies and procedures for the operation of Williamsburg Landing as Owner, in its sole discretion, determines necessary and to amend such policies and procedures from time to time as Owner may deem necessary ("Policies and Procedures"). Copies of Policies and Procedures shall be available at all times in the administration office of Williamsburg Landing. Such Policies and Procedures are hereby incorporated into this Agreement by this reference, and Resident hereby agrees to abide by such Policies and Procedures, as in effect from time to time.

Resident's Agent acknowledges receipt of a copy of the Residents' Manual prior to execution hereof.

I. Reservation of Right to Inspect. Owner reserves the right to enter the Memory Support Assisted Living Unit, at all reasonable times upon reasonable notice to Resident, for all reasonable purposes, including, but not limited to the following purposes:

- (1) to assure the health, safety and welfare of Resident and other residents of Williamsburg Landing;
- (2) to make repairs and perform maintenance; and
- (3) to comply with rules, regulations and directives prescribed by any legal authorities, local, state or federal, or as may be required by the terms of any loan or financing document.

J. Alterations, Additions, Use and Condition of Memory Support Assisted Living Unit. Resident shall make no structural alteration, modification or additions or physical changes of any type to the Memory Support Assisted Living Unit without the prior written consent of Owner. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of Owner. Title to all such alterations, modifications, additions and changes to the Memory Support Assisted Living Unit shall immediately vest in Owner and remain the property of Owner.

Resident hereby agrees that Resident shall not use the Memory Support Assisted Living Unit or permit the same to be used contrary to any federal, state or local law or the



rules and regulations of Williamsburg Landing or in any manner that would cause the value or the usefulness of the Memory Support Assisted Living Unit to diminish (ordinary wear and tear excepted) or that would constitute a public or private nuisance or waste. Resident further agrees that Resident will not do or permit anything to be done on or about the Memory Support Assisted Living Unit that will adversely affect any policies of insurance that are carried by Owner with respect to Williamsburg Landing. At the request of Owner, Resident will remove anything used or kept in the Memory Support Assisted Living Unit that, in the sole opinion of Owner, is harmful to Williamsburg Landing or disturbing to other residents or that is objectionable to Owner's insurance companies or would cause such insurance companies to increase Owner's insurance rates. Upon termination of this Agreement, Resident, or those acting on Resident's behalf, shall leave the Memory Support Assisted Living Unit empty of personal property and in good and broom clean condition except for reasonable wear and tear, and Resident shall be liable to Owner for any costs incurred in restoring the Memory Support Assisted Living Unit to empty of personal property and in good and broom clean condition except for costs incurred as a result of reasonable wear and tear.

K. No Property Interest. Resident acknowledges that this Agreement grants Resident a contractual right of occupancy at Williamsburg Landing upon the terms and conditions stated in this Agreement and that Resident is not a lessee or owner of a life estate or any other interest in real property by virtue of this Agreement. The rights and privileges granted to Resident by this Agreement are not proprietary and do not include any right, title or interest in any part of the personal property, land, buildings and improvements owned or administered by Owner.

L. Events Beyond Owner's Control which May Prevent Performance. Owner shall not be required to perform any term, condition or covenant in this Agreement so long as such performance is delayed or prevented by Acts of God, strikes, lockouts, material or labor shortages or failures, pandemics, restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of Owner and which, by the exercise of ordinary care Owner is unable, wholly or in part, to prevent or overcome.

M. Subordination to Financing. Owner represents to Resident and Resident acknowledges, that Williamsburg Landing is and may be further encumbered by liens as security for indebtedness incurred in connection with the construction and/or operation of Williamsburg Landing. Resident further acknowledges that Resident's right to occupancy, services and refund of the Entrance Fee pursuant to the terms of this Agreement are subordinate to the rights of all holders of such liens. Resident also agrees that Resident's right to occupancy, services and refund of the Entrance Fee shall be and remain subordinate to any future debt financing for which Owner may hereafter contract.

N. Payment Arrangements Not a Loan. Owner and Resident intend that the payment arrangements under this Agreement compensate Owner for the provision of services pursuant to this Agreement and are not a loan of funds.

O. Assignability. This Agreement shall not be assigned by Resident, either in whole or in part, and the right to reside in the Memory Support Assisted Living Unit may not be subcontracted. Owner may, however, assign this Agreement in whole or in part to a successor owner or to a lender, either outright or as security for any indebtedness of Owner, without the consent of Resident. Resident hereby consents to any and all such assignments by the execution of this Agreement.

P. Waiver of Breach. Any waiver by Owner of any covenant or condition of this Agreement, including but not limited to waivers pursuant to Section E of Article III hereof, must be in writing, signed by Owner, shall extend to the particular case only, for the particular time only, and only in the manner specified in such waiver, and shall not be construed as applying to or in any way waiving any further, subsequent or other rights.

Q. Binding Effect. This Agreement and all rights and obligations hereunder shall be binding upon and inure to the benefit of Owner, its successors and assigns, and to the benefit of Resident, Resident's respective heirs, assigns, and personal representatives, in accordance with its terms, and shall also specifically inure to the benefit of any mortgagee, assignee or lender.

R. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

S. Partial Illegality. If any clause or provision of this Agreement operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision only shall be void, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect. If any such clause or provision is deemed to be not in conformity with the appropriate laws and regulations, such portion shall be deemed to have been modified by the parties to be in accordance with such laws and regulations, and the validity of the balance of this Agreement shall not be affected.

T. Power of Attorney. Resident shall provide and maintain in effect prior to, on and after the Effective Occupancy Date a Power of Attorney and Advance Medical Directive or comparable order(s) from a court of competent jurisdiction designating as Resident's Attorney-in-fact and agent, or conservator and guardian respectively, a bank or a responsible person to act for Resident. Such Power of Attorney and Advance Medical Directive or court order(s) shall be in a form satisfactory to Owner with a copy thereof being furnished to Owner.

U. Governing Law. This Agreement shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

V. Right of Rescission. Virginia law provides that Resident shall have the right to rescind this Agreement without penalty or forfeiture, within seven (7) days after making the deposit or executing this Agreement. Resident shall not be required to occupy the

Memory Support Assisted Living Unit prior to the expiration of the seven-day rescission period.

W. Complaint Resolution/Concerns. It is the intent of Williamsburg Landing, Inc. that all Residents entitled to occupy the Memory Support Assisted Living Unit pursuant to this Agreement are able to freely and openly express complaints or concerns so that prompt and fair resolution can be accomplished. Complaints or concerns (beneficial suggestions or requests for change) are normally forwarded to the President/CEO or the President/CEO's designee who in consultation (as the President/CEO deems necessary) with the President of Residents' Association, the appropriate Residents' Association Committee and/or Residents' Council shall seek to resolve the issue.

Complaints resulting from failure to resolve issues in the manner described above may be lodged with the Williamsburg Landing Corporate Board. For presentation to the Corporate Board, Resident, if entitled to occupy the Memory Support Assisted Living Unit pursuant to this Agreement, shall submit the complaint to the President of the Williamsburg Landing Residents' Association who, as member of the Corporate Board, shall present the complaint to the Chairman of the Corporate Board, with a copy to the President/CEO, for disposition pursuant to the policies and procedures as may be established from time to time by the Corporate Board. The Williamsburg Landing Corporate Board is ultimately responsible for resolving such complaints.

X. Arbitration. A Resident's sole remedy for resolving or deciding any legal dispute, controversy or claim, including any claim for monetary damages, against Williamsburg Landing shall be by binding arbitration in James City County, Virginia, or at such other location that is mutually convenient to Resident and Owner, in accordance with the Rules of the American Arbitration Association currently in effect, as modified by any other instructions that the parties may mutually agree upon at the time. Claims or disputes subject to binding arbitration shall include, without limitation, those arising out of the terms of any Residency Agreement, residency at Williamsburg Landing, a Resident's occupancy or intended occupancy of any premises or the provision of any services to a Resident by Williamsburg Landing, including but not limited to disputes, demands or claims arising from any contracts or agreements, express or implied; disputes or claims arising from the negligence, gross negligence or intentional acts of Resident, Resident's guests or Owner; disputes or claims arising from any fraud or misrepresentation on the part of Resident or Owner; and, disputes and claims based on any federal or state statutory or common law theory, including, without limitation, any law governing or regulating discrimination or accommodation in the provision of premises, services, residency or public accommodation, and, provided, such claims and disputes (i) are of a nature or type that can be submitted to arbitration for a decision, (ii) cannot be resolved or settled by the parties pursuant to preceding sections or the section above entitled "Complaint Resolutions/Concerns," (iii) are not subject to a signed opt out agreement, or (iv) are not excluded from being subject to this arbitration provision pursuant to law.

In consideration of entering into this Residency Agreement, Resident understands and consents to binding arbitration as the sole remedy as set forth above. Resident further understands and acknowledges that in agreeing to arbitration, Resident waives Resident's rights to have any dispute or claim decided in a court of law before a judge or a jury, or otherwise to avail himself or herself of legal remedies other than binding arbitration.

Resident's agreement to binding arbitration is not a condition to a Resident's admission. Therefore, Resident may opt out of arbitration as a sole remedy by signing an "opt out agreement" contemporaneous with the signing of this Agreement, or may do so within thirty (30) days of the date this Agreement is signed, by entering into a separate "opt out" of arbitration agreement. If an opt out agreement is not signed contemporaneous with Resident's signature herein, or within thirty (30) days thereafter, Resident agrees that Resident's sole remedy for resolving any legal dispute, controversy or claim shall be by binding arbitration, as described above.

Owner's remedies shall not be limited to arbitration and shall include but not be limited to any action at law or equity in any court of competent jurisdiction, at Owner's discretion.

In the event of any such arbitration, the controversy or dispute shall be submitted to and, to the extent possible, resolved by one arbitrator mutually selected by the parties. If the parties are unable to mutually agree, each of them shall select one arbitrator and the two arbitrators so selected shall select the third arbitrator; the decision of a majority of such arbitrators shall bind the parties. In the event either party does not select its arbitrator and give notice to the other as herein provided within fifteen (15) days after any notification of any demand for arbitration hereunder, such arbitrator shall be selected by the American Arbitration Association. The arbitrator(s) shall promptly obtain such information regarding the matter as the arbitrator(s) shall deem advisable and shall decide with dispatch the matter in accordance with applicable law, equitable principles and community and industry standards, but shall not modify the terms of this Agreement. The arbitrator(s) shall render a written award which shall be delivered to the parties. The decision of the arbitrator shall be final and binding upon the parties and may be enforced in any court of competent jurisdiction. Each party shall bear its own costs and expenses, including attorney's fees, in any such proceeding, except that at the time of rendering the award, the arbitrator(s) shall establish the arbitrator's (their) fee and expenses in connection therewith. Such fees and expenses shall be allocable by the arbitrator(s) in the arbitrator's (their) award. Written notice of demand for arbitration shall be filed by certified mail within fifteen (15) days of the mailing of the decision by the Williamsburg Landing Corporate Board pursuant to the preceding paragraph. Time is of the essence and failure to file within said time shall terminate this and all other remedies of Resident.

Resident specifically agrees that notwithstanding anything to the contrary, the rights and obligations set forth in this Section X of Article VIII Arbitration survive (i) the termination of this Agreement by either party or (ii) the default of this Agreement by either

party. The waiver or invalidity of any portion of this Section shall not affect the validity or enforceability of the remaining portions of this Section. Resident further agrees that any dispute brought by Resident involving Owner's affiliates, directors, officers, employees and agents shall also be subject to this Section X of Article VIII Arbitration as set forth herein, and shall not be pursued in a court of law and, further, that arbitration will be limited to the parties specified herein.

Y. Notices. Any written notice required to be given by Owner to Resident shall be given to both Resident and Resident's Agent at the addresses indicated herein.

Z. Authority of Resident's Agent. Resident's Agent by signing this Agreement on behalf of Resident represents that Resident's Agent has the legal authority to sign this Agreement and that by doing so Resident is legally bound by all of the terms of this Agreement.

AA. Entire Contract. Resident hereby acknowledges that Resident has read this Residency Agreement in its entirety. This Agreement constitutes the entire Agreement between Owner and Resident. **Owner is not liable for, nor bound in any manner by, any statements, representations, or promises made by any person representing or purporting to represent Owner, unless such statements, representations, or promises are set forth in this Agreement.** This Agreement supersedes all previous agreements between the parties, including any Reservation Application for Williamsburg Landing executed by Resident.

IN WITNESS WHEREOF, Owner has executed this Residency Agreement, by its duly authorized representative, and Resident has executed this Residency Agreement, in his or her own name, all as of the date first above written.

**ATTEST:**

**WILLIAMSBURG LANDING, INC.**

\_\_\_\_\_

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

Date: \_\_\_\_\_

**WITNESS:**

**RESIDENT:**

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Acting: (mark one)

Under Power of Attorney

As Conservator and Guardian under Court Order

Address of Agent:

\_\_\_\_\_

\_\_\_\_\_

**Arbitration Opt Out**

I have read and understood the provisions in Section X of Article VIII Arbitration and hereby opt out of the arbitration provisions. I understand that I may avail myself of any legal remedies I have in a court of law for any claim, dispute or controversy I have with Williamsburg Landing in lieu of arbitration as a result of my decision to opt out of arbitration as my sole remedy.

**RESIDENT:**

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Acting: (mark one)

Under Power of Attorney

As Conservator and Guardian under Court Order

Address of Agent:

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**Assisted Living Facility Liability Insurance Disclosure  
Notification Form**

**Required by the Virginia Department of Social Services  
as specified in 22 VAC 40-73-390 A 4 m**

This facility maintains liability insurance that provides at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from negligent acts of the facility.

Yes

No

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Signature of Resident or Resident's Agent

Date

---

Licensee/Administrator signature

Date



**WILLIAMSBURG LANDING, INC.**

**WOODHAVEN MANOR/WOODHAVEN HOUSE**

**ACKNOWLEDGEMENT OF RECEIPT OF  
ASSISTED LIVING FACILITY DOCUMENTS**

Woodhaven Manor and Woodhaven House at Williamsburg Landing (the “**facility**”) are currently licensed by the Virginia Department of Social Services as an Assisted Living Facility. This Acknowledgement of Receipt is intended to comply with the regulatory requirements for licensed assisted living facilities at 22VAC40-73-390.

Resident Name: \_\_\_\_\_

By signing below, the above name resident or his or her legal representative acknowledges the following as of the date of his or her signature hereof:

1. Requirements or rules regarding resident conduct, other restrictions, or special conditions have been reviewed by the resident or his legal representative;
2. The resident or his legal representative has been informed of the policy regarding the amount of notice required when a resident wishes to move from the facility;
3. The resident has been informed of the policy regarding pets living in the facility;
4. The resident has been informed of the policy regarding weapons;
5. The resident or his legal representative or responsible individual has reviewed § [63.2-1808](#) of the Code of Virginia, Rights and Responsibilities of Residents of Assisted Living Facilities, and that the provisions of this statute have been explained to him;
6. The resident or his legal representative or responsible individual has reviewed and had explained to him the facility's policies and procedures for implementing § [63.2-1808](#) of the Code of Virginia;
7. The resident has been informed and had explained to him that he may refuse release of information regarding his personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility, notwithstanding any regulatory requirements for assisted living facilities in 22VAC40-73;
8. The resident has been informed that interested residents may establish and maintain a resident council, that the facility is responsible for providing assistance with the formation and maintenance of the council, whether or not such a council currently exists in the facility, and the general purpose of a resident council;
9. The resident has been informed of the bed hold policy in case of temporary transfer or movement from the facility, if the facility has such a policy;
10. The resident has been informed of the policy or guidelines regarding visiting in the facility, if the facility has such a policy or guidelines;
11. The resident has been informed of the rules and restrictions regarding smoking on the premises of the facility;

12. The resident has been informed of the policy regarding the administration and storage of medications and dietary supplements;
13. The resident has been notified in writing whether or not the facility maintains liability insurance that provides at least the minimum amount of coverage established by the board for disclosure purposes to compensate residents or other individuals for injuries and losses from negligent acts of the facility.
14. The resident has received written assurance that the facility has the appropriate license to meet his care needs at the time of admission;
15. The resident has received a copy of the Notice of Privacy Practices of the facility; and
16. The resident has received a copy of the Disclosure Statement required by the Virginia Department of Social Services.

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Signature of Resident or Resident's Agent

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Date

---

Signature of Facility Representative

---

Date

**§ 63.2-1808. Rights and responsibilities of residents of assisted living facilities; certification of licensure.**

A. Any resident of an assisted living facility has the rights and responsibilities enumerated in this section. The operator or administrator of an assisted living facility shall establish written policies and procedures to ensure that, at the minimum, each person who becomes a resident of the assisted living facility:

1. Is fully informed, prior to or at the time of admission and during the resident's stay, of his rights and of all rules and expectations governing the resident's conduct, responsibilities, and the terms of the admission agreement; evidence of this shall be the resident's written acknowledgment of having been so informed, which shall be filed in his record;
2. Is fully informed, prior to or at the time of admission and during the resident's stay, of services available in the facility and of any related charges; this shall be reflected by the resident's signature on a current resident's agreement retained in the resident's file;
3. Unless a committee or conservator has been appointed, is free to manage his personal finances and funds regardless of source; is entitled to access to personal account statements reflecting financial transactions made on his behalf by the facility; and is given at least a quarterly accounting of financial transactions made on his behalf when a written delegation of responsibility to manage his financial affairs is made to the facility for any period of time in conformance with state law;
4. Is afforded confidential treatment of his personal affairs and records and may approve or refuse their release to any individual outside the facility except as otherwise provided in law and except in case of his transfer to another care-giving facility;
5. Is transferred or discharged only when provided with a statement of reasons, or for nonpayment for his stay, and is given reasonable advance notice; upon notice of discharge or upon giving reasonable advance notice of his desire to move, shall be afforded reasonable assistance to ensure an orderly transfer or discharge; such actions shall be documented in his record;
6. In the event a medical condition should arise while he is residing in the facility, is afforded the opportunity to participate in the planning of his program of care and medical treatment at the facility and the right to refuse treatment;
7. Is not required to perform services for the facility except as voluntarily contracted pursuant to a voluntary agreement for services that states the terms of consideration or remuneration and is documented in writing and retained in his record;
8. Is free to select health care services from reasonably available resources;

9. Is free to refuse to participate in human subject experimentation or to be party to research in which his identity may be ascertained;
10. Is free from mental, emotional, physical, sexual, and economic abuse or exploitation; is free from forced isolation, threats or other degrading or demeaning acts against him; and his known needs are not neglected or ignored by personnel of the facility;
11. Is treated with courtesy, respect, and consideration as a person of worth, sensitivity, and dignity;
12. Is encouraged, and informed of appropriate means as necessary, throughout the period of stay to exercise his rights as a resident and as a citizen; to this end, he is free to voice grievances and recommend changes in policies and services, free of coercion, discrimination, threats or reprisal;
13. Is permitted to retain and use his personal clothing and possessions as space permits unless to do so would infringe upon rights of other residents;
14. Is encouraged to function at his highest mental, emotional, physical and social potential;
15. Is free of physical or mechanical restraint except in the following situations and with appropriate safeguards:
  - a. As necessary for the facility to respond to unmanageable behavior in an emergency situation, which threatens the immediate safety of the resident or others;
  - b. As medically necessary, as authorized in writing by a physician, to provide physical support to a weakened resident;
16. Is free of prescription drugs except where medically necessary, specifically prescribed, and supervised by the attending physician, physician assistant, or nurse practitioner;
17. Is accorded respect for ordinary privacy in every aspect of daily living, including but not limited to the following:
  - a. In the care of his personal needs except as assistance may be needed;
  - b. In any medical examination or health-related consultations the resident may have at the facility;
  - c. In communications, in writing or by telephone;
  - d. During visitations with other persons;

e. In the resident's room or portion thereof; residents shall be permitted to have guests or other residents in their rooms unless to do so would infringe upon the rights of other residents; staff may not enter a resident's room without making their presence known except in an emergency or in accordance with safety oversight requirements included in regulations of the Board;

f. In visits with his spouse; if both are residents of the facility they are permitted but not required to share a room unless otherwise provided in the residents' agreements;

18. Is permitted to meet with and participate in activities of social, religious, and community groups at his discretion unless medically contraindicated as documented by his physician, physician assistant, or nurse practitioner in his medical record;

19. Is fully informed, as evidenced by the written acknowledgment of the resident or his legal representative, prior to or at the time of admission and during his stay, that he should exercise whatever due diligence he deems necessary with respect to information on any sex offenders registered pursuant to Chapter 9 (§ [9.1-900](#) et seq.) of Title 9.1, including how to obtain such information. Upon request, the assisted living facility shall assist the resident, prospective resident, or the legal representative of the resident or prospective resident in accessing this information and provide the resident, prospective resident, or the legal representative of the resident or prospective resident with printed copies of the requested information; and

20. Is informed, in writing and upon request, of whether the assisted living facility maintains the minimum liability coverage, as established by the Board pursuant to subdivision A 10 of § [63.2-1805](#).

B. If the resident is unable to fully understand and exercise the rights and responsibilities contained in this section, the facility shall require that a responsible individual, of the resident's choice when possible, designated in writing in the resident's record, be made aware of each item in this section and the decisions that affect the resident or relate to specific items in this section; a resident shall be assumed capable of understanding and exercising these rights unless a physician determines otherwise and documents the reasons for such determination in the resident's record.

C. The rights and responsibilities of residents shall be printed in at least 12-point type and posted conspicuously in a public place in all assisted living facilities. The facility shall also post the name and telephone number of the regional licensing supervisor of the Department, the Adult Protective Services' toll-free telephone number, as well as the toll-free telephone number for the Virginia Long-Term Care Ombudsman Program, any sub-state ombudsman program serving the area, and the toll-free number of the Commonwealth's designated protection and advocacy system.

D. The facility shall make its policies and procedures for implementing this section available and accessible to residents, relatives, agencies, and the general public.

E. The provisions of this section shall not be construed to restrict or abridge any right that any resident has under law.

F. Each facility shall provide appropriate staff training to implement each resident's rights included in this section.

G. The Board shall adopt regulations as necessary to carry out the full intent of this section.

H. It shall be the responsibility of the Commissioner to ensure that the provisions of this section are observed and implemented by assisted living facilities as a condition to the issuance, renewal, or continuation of the license required by this article.

1984, c. 677, § 63.1-182.1; 1989, c. 271; 1990, c. 458; 1992, c. 356; 1993, cc. 957, 993; 1997, c. [801](#); 2000, c. [177](#); 2002, cc. [45](#), [572](#), [747](#); 2004, c. [855](#); 2006, c. [396](#); 2007, cc. [120](#), [163](#); 2013, cc. [320](#), [571](#).

**APPENDIX B4**

**FORM OF AMENDMENT TO RESIDENCY AGREEMENT  
TRANSFER FROM INDEPENDENT LIVING UNIT TO ASSISTED LIVING UNIT**

WILLIAMSBURG LANDING  
AMENDMENT TO RESIDENCY AGREEMENT  
(TRANSFER TO ASSISTED LIVING UNIT)

between

**Williamsburg Landing, Inc.**  
(the “Owner”)

and

\_\_\_\_\_  
(the “Resident”, whether one or more)

**Date of Original Residency Agreement:** \_\_\_\_\_

---

**THIS AMENDMENT TO RESIDENCY AGREEMENT (TRANSFER TO ASSISTED LIVING UNIT)** (“Amendment”) is made effective this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between Williamsburg Landing, Inc., a Virginia non-profit corporation (the “Owner”) and the person or persons listed above and identified as the “Resident,” whether one or more.

**RECITALS:**

A. Owner operates “Williamsburg Landing,” a residential continuing care retirement community in James City County, Virginia, which community provides housing and certain services for its residents.

B. Owner and Resident executed that Residency Agreement for Independent Living Unit, dated \_\_\_\_\_ (the “Residency Agreement”).

C. Pursuant to the Residency Agreement, Resident is permanently transferring to an Assisted Living Unit in the Owner’s licensed assisted living facility.

D. Owner and Resident desire to amend the Residency Agreement to reflect Resident’s move from an Independent Living Unit to an Assisted Living Unit as hereinafter provided.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreement set forth herein and in the Residency Agreement and for other good and valuable



consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. Any capitalized terms contained within this Amendment and not defined herein shall have the meaning as assigned to such term in the Residency Agreement, unless the context clearly requires otherwise.

2. Transfer Date. Previously residing at \_\_\_\_\_ (the "Independent Living Unit"), Resident has moved, or is in the process of moving, to \_\_\_\_\_ (the "Assisted Living Unit") with the date of transfer agreed to be \_\_\_\_\_, 20\_\_ (the "Transfer Date").

3. Assisted Living Unit. As of the Transfer Date, Resident shall have the privilege of occupying the Assisted Living Unit so long as Resident meets the terms and conditions of the Residency Agreement and this Amendment thereto and conforms to the policies and procedures of Owner. Owner agrees to furnish and maintain, at Owner's expense, the following for the Assisted Living Unit:

- A. Heating and air conditioning units with individually controlled thermostats
- B. Smoke Detectors
- C. Emergency response system
- D. Kitchenette with microwave oven, sink and under-counter refrigerator
- E. Key operated safe

In addition, Owner will furnish mini-blinds and will furnish floor coverings consisting of wall-to-wall carpeting, except in bathrooms, for which vinyl floor coverings shall be furnished. Replacement of floor coverings is at the sole discretion of Owner. All other furnishings shall be provided and maintained by Resident.

4. Change of Assisted Living Unit. Resident may request a change of the Assisted Living Unit (i) subject to the availability of an alternate assisted living unit (the "Alternate Unit"), and (ii) in accordance with Owner's policies in effect from time to time. Owner may require Resident to move to another assisted living unit if such a move has been recommended by the Medical Director of Williamsburg Landing, in consultation with Resident's private physician, for the health or safety of Resident. Such relocation shall be at the expense of Resident, but without any increase of the Entrance Fee.

5. Services Provided.

A. Residential Services Provided by Owner. Owner shall furnish the following services to all residents of Williamsburg Landing, the costs of which shall be covered by the Monthly Service Fees, except where specifically noted:

(1) Maintenance and Repairs. Owner will perform necessary repairs, maintenance and replacement of its own property and equipment, the common areas of Williamsburg Landing and the exterior and interior of the assisted living units. Repairs, maintenance and replacement of Resident's own property will be the responsibility of Resident.

(2) Security. Owner will equip the Assisted Living Unit with an emergency response system which will be monitored on a 24 hour basis and an automatic smoke alarm. Owner will staff a security station and will patrol the grounds on a scheduled basis.

(3) Meals. will operate at least one dining facility for three meals per day; included in the Monthly Service Fee are 3 meals per day for each Resident. Private dining facilities will be available to Resident to be used on a reserved basis at an additional charge to him. Special diets, as may be prescribed by Resident's physician, will be provided for Resident and Owner, at its discretion, may charge Resident the expense.

(4) Scheduled Transportation. Owner will provide scheduled transportation from Williamsburg Landing to local shopping areas and between the Williamsburg Landing Assisted Living Center building and the Williamsburg Landing central building. Transportation for medical treatment in the local Williamsburg area will be provided by Owner if Resident is unable to furnish Resident's own transportation. Transportation for other personal needs may be provided at an additional charge.

(5) Planned Activities. Owner will coordinate special events which may include such items as concerts, tours and cultural or social events. Additional charges may apply for participation in these activities.

(6) Management Services. Owner will provide professional management services to the community.

(7) Buildings and Grounds. Owner will maintain the common areas of all buildings and the grounds including the lawns, walkways and driveways.

(8) Utilities. Owner will furnish water, sewer, heat, light, power, air conditioning, cable television service (excluding premium channels) and local telephone service for the assisted living units located in the Assisted Living Center building. Resident will pay for long distance telephone charges and internet access.

(9) Common Facilities. Resident may use, in common with others, facilities such as dining rooms, lounges and lobbies, chapel, library, swimming pool, social and recreation rooms, shops, and all other common facilities designated by Owner for resident use. Common facilities for which additional charges will be made include any shops providing services such as beauty parlors and barber shops and facilities requiring an attendant, and any rooms or accommodations provided for the overnight accommodation of guests. An additional charge may also be made for supplies used in connection with recreational and social activities.

- (10) Housekeeping. Owner will clean the Assisted Living Unit weekly.
- (11) Laundry. Owner will provide personal laundry service.
- (12) Taxes. Owner will pay all real and personal property taxes assessed

against Owner.

B. Health Care Services Provided.

(1) Health Care Offered by Owner. The following health care services will be provided by Owner and included in the Monthly Service Fee:

- a. Emergency call system
- b. An Outpatient Clinic providing:
  - (i) initial health screenings for new Residents (weight check, blood pressure screening, nurse consultation)
  - (ii) blood pressure checks
  - (iii) phlebotomy service (does not include lab charges)
  - (iv) scheduled nurse consultation
- c. Initial one time nutrition counseling for new Residents (subsequent counseling is at Resident's expense)
- d. Subject to the review and approval of the Medical Director or its designee and the Medical Transfer procedures provided for in the Residency Agreement and provided that Resident is an occupant of an Independent Living or Assisted Living Unit or Memory Support Assisted Living Unit during that calendar year, up to ten (10) days of care in the Nursing Center per calendar year (non-cumulative from year to year) on a private room (shared bath) basis.

Additional stays in the Nursing Center beyond such ten (10) days per calendar year (non-cumulative from year to year) of care, or stays in the Nursing Center that do not qualify for such ten (10) days, will be at Resident's expense at the then current rate for the applicable private room. For care in other than a private room (shared bath) basis during such ten (10) days, Resident will be charged the per diem private room rate, less the private room (shared bath) rate.

Nursing Center. Owner operates Woodhaven Hall (Williamsburg Landing Health and Rehabilitation Center), which is a nursing facility on site licensed by the Commonwealth of Virginia as a nursing home (the "Nursing Center"). Nursing care provided by Owner shall be

limited to that care given in the Nursing Center or in another part of Williamsburg Landing designated by Owner. Resident may employ private duty nurses and sitters at Resident's expense, but only after approval by Owner of the nurses and sitters and/or firm providing such nurses and sitters and subject to policies and procedures of Owner. Owner assumes no responsibility for overseeing such private duty providers of services.

Assisted Living Center. Owner will provide assisted living services to Residents of the Williamsburg Landing Assisted Living Center at Woodhaven at Williamsburg Landing and shall staff such with trained personnel. Typical services to be provided are as follows:

- a. Three nutritious meals daily, including special diets as may be prescribed by Resident's physician
- b. Assistance with activities of daily living as needed
- c. Assistance with problems resulting from loss of speech, hearing or sight
- d. Administration of medication as needed
- e. Assistance in bathing
- f. Special treatments such as blood pressure checks
- g. Availability of private duty services; such services to be paid for by Resident after approval by Owner of persons and firms involved
- h. Assistance in maintenance and housekeeping to provide a clean, safe environment
- i. Specialized activities programs

Levels of Service. Resident will be assigned to one of three levels of service (Level I, II, or III) based on an assessment using the Uniform Assessment Instrument (UAI), on or before the Effective Occupancy Date. Periodic reassessments of Resident's condition will be conducted. Changes in level of service will result in an automatic adjustment in the Monthly Service Fee based on the then current Fee Schedule.

Medical Director. Owner will designate as medical director a licensed physician who shall be responsible for monitoring the health care services at Williamsburg Landing (the "Medical Director") and shall be available to Owner for advice and consultation.

(2) Additional Health Care Services. Additional health care services will be provided or made available through independent or related contractors approved by Owner. Resident will be responsible for paying the rates charged for any of these additional services utilized. Typical services to be provided are as follows:

- a. Primary care physician services
- b. Home health care
- c. Licensed nurses
- d. Physical therapists
- e. Occupational therapists
- f. Speech therapists
- g. Massage therapy
- h. Primary and specialty physicians services in the outpatient clinic

(3) Release of Resident Information. Resident hereby acknowledges and agrees that the Resident may refuse to allow the Facility to release any information regarding the Resident's personal affairs and records to any individual outside of the Facility, except when such release is required or permitted by applicable law or in the case of a transfer of the Resident outside the Facility.

C. Additional Services. Owner may offer other services in addition to those listed specifically in herein. If Resident chooses to accept those additional services, Resident agrees to pay all applicable additional charges.

D. Notice of Change in Services Provided or Fees. Thirty (30) days prior written notice shall be provided to Resident concerning any change that decreases the scope of services described in this Section 5. A listing of charges for services provided by Owner that are not covered by the Monthly Service Fee will be available to all Residents. Thirty (30) days prior written notice shall be provided to Resident concerning increases in these charges or Monthly Service Fees.

6. Entrance Fee. The Entrance Fee calculation of the refund or additional amount due shall continue to be as provided for in the Residency Agreement, which calculation as of the Transfer Date is shown on the attached Exhibit A.

7. Monthly Service Fee. The initial Monthly Service Fee associated with the Residential Unit to which Resident is transferring is \$\_\_\_\_\_; provided, however, that initial Monthly Service Fee is an estimate based upon the Monthly Service Fee in effect on the date of the execution of this Amendment. The initial actual Monthly Service Fee and credit(s) will be in the amount of this estimate unless Resident is otherwise notified in writing on or before the Transfer Date, subject to increase or decrease subsequent to the Transfer Date as provided in the Residency Agreement. The Monthly Service Fee is subject to change with 30 days notice. The Monthly Service Fee will stop on the previous unit occupied by Resident when Resident has removed all belongings and

unit keys have been turned into Marketing and will start on the new unit once Resident obtains a key and moves items into the unit to which Resident has transferred.

8. Fees for Additional Services. Owner may provide additional services which are not included in the Monthly Service Fee for which an additional charge may be made pursuant to Owner's published fee schedule

9. Monthly Statement of Charges and Payments. On a monthly basis, the Facility will provide the Resident with a monthly statement with respect to the immediately preceding month that shows an itemization of any charges made by the Facility during such month (including the Monthly Service Fee and any additional fees charged for additional services) and any payments received by the Facility from the Resident or on the Resident's behalf. Such monthly statement shall also show the balance due for such month and any credits for overpayments previously made by the Resident. Such monthly statements shall be maintained in the Resident's record.

10. Nonpayment of Fees. The terms in the Residency Agreement regarding the nonpayment of fees shall continue to be in full force and effect.

11. Termination. The parties acknowledge and agree that all terms and provisions related to the termination of the Residency Agreement by the Resident or Owner and the refund of the Entrance Fee upon termination shall continue to be governed by the Residency Agreement, including those provisions that describe the actions, circumstances or conditions that may result in the Resident's discharge from the facility; except notice of termination is only required to be given at least thirty (30) days prior to the date on which Resident desires to terminate the Residency Agreement; provided, however, Resident shall continue to pay the Monthly Service Fee until the later of thirty (30) days after the date of such written notice of termination or until the Assisted Living Unit is vacated and released. In accordance with the foregoing, all references to one hundred twenty (120) days in subsection VI.A. of the Residency Agreement are hereby changed to thirty (30) days with respect to the Resident who has transferred to the Assisted Living Unit.

12. Assisted Living Facility Rules, Policies and Procedures. Owner reserves the right to adopt such reasonable policies and procedures for the operation of Williamsburg Landing as Owner, in its sole discretion, determines necessary and to amend such policies and procedures from time to time as Owner may deem necessary, including policies and procedures specifically applicable to its assisted living facility ("Policies and Procedures"). Copies of Policies and Procedures shall be available at all times in the administration office of Williamsburg Landing. Such Policies and Procedures are hereby incorporated into this Agreement by this reference, and Resident hereby agrees to abide by such Policies and Procedures, as in effect from time to time. Resident acknowledges receipt of a copy of the Residents' Manual prior to execution hereof.

13. Alterations, Additions, Use and Condition of Assisted Living Unit. Resident shall make no structural alteration, modification or additions or physical changes of any type to the Assisted Living Unit without the prior written consent of Owner. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the

prior written approval of Owner. Title to all such alterations, modifications, additions and changes to the Assisted Living Unit shall immediately vest in Owner and remain the property of Owner.

Resident hereby agrees that Resident shall not use the Assisted Living Unit or permit the same to be used contrary to any federal, state or local law or the rules and regulations of Williamsburg Landing or in any manner that would cause the value or the usefulness of the Assisted Living Unit to diminish (ordinary wear and tear excepted) or that would constitute a public or private nuisance or waste. Resident further agrees that Resident will not do or permit anything to be done on or about the Assisted Living Unit that will adversely affect any policies of insurance that are carried by Owner with respect to Williamsburg Landing. At the request of Owner, Resident will remove anything used or kept in the Assisted Living Unit that, in the sole opinion of Owner, is harmful to Williamsburg Landing or disturbing to other residents or that is objectionable to Owner's insurance companies or would cause such insurance companies to increase Owner's insurance rates. Upon termination of this Agreement, Resident, or those acting on Resident's behalf, shall leave the Assisted Living Unit empty of personal property and in good and broom clean condition except for reasonable wear and tear, and Resident shall be liable to Owner for any costs incurred in restoring the Assisted Living Unit to empty of personal property and in good and broom clean condition except for costs incurred as a result of reasonable wear and tear.

14. Effect of this Amendment. By executing this Amendment, Resident agrees that Resident remains bound by the terms of the Residency Agreement, as modified and supplemented by this Amendment. The Residency Agreement is hereby ratified and confirmed as hereby amended. In the event of a conflict in the terms of the Residency Agreement and this Amendment, this Amendment shall take precedence over the Residency Agreement.

15. Miscellaneous.

A. Assignability. This Amendment shall not be assigned by the Resident, either in whole or in part. The Owner may, without notice, assign this Amendment in whole or in part.

B. Binding Effect. This Amendment and all rights and obligations hereunder shall be binding upon and inure to the benefit of the parties and their respective heirs, assigns, and personal representatives.

C. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

D. Governing Law. This Amendment shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

E. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together will

constitute one and the same instrument. Signatures may be by facsimile or other electronic means and shall be given the same effect as original signatures.

*[SIGNATURES APPEAR ON THE FOLLOWING PAGE]*



IN WITNESS WHEREOF, the Owner has executed this Amendment, by its duly authorized representative, and the Resident has executed this Amendment, in his or her own name, all as of the date first above written.

**WILLIAMSBURG LANDING, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**RESIDENT:**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

**Exhibit A to Amendment to Residency Agreement (Transfer)**

Initial Move-in Date: \_\_\_\_\_

Transfer Date: \_\_\_\_\_

Previous Entry Fee:	\$0.00
New Entry Fee:	<u>\$0.00</u> (20__ rate per Accounting Office)
Difference:	\$0.00
Modification Fee Refund (Previous):	\$0.00
Refurbishment Fee:	\$0.00
Modification/Upgrade Costs for new Residential Unit:	\$0.00
Legal & Accounting Fee:	<u>\$0.00</u>
Net amount due to (owed by) Resident:	\$0.00

\_\_\_\_\_ Refundable Entrance Fee of \$0.00 remains as is (\_\_% refundable).  
(Refundable portion \$0.00)

\_\_\_\_\_ Entrance Fee for new unit is less and a refund has been processed in  
the amount of \$0.00. New entrance fee of \$0.00 is \_\_% refundable.

\_\_\_\_\_ Modification Fee Refund has been processed in the amount of \$0.00.

**Assisted Living Facility Liability Insurance Disclosure  
Notification Form**

**Required by the Virginia Department of Social Services  
as specified in 22 VAC 40-73-390 A 4 m**

This facility maintains liability insurance that provides at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from negligent acts of the facility.

Yes

No

---

Resident signature

Date

---

Licensee/Administrator signature

Date

**WILLIAMSBURG LANDING, INC.**

**WOODHAVEN MANOR/WOODHAVEN HOUSE**

**ACKNOWLEDGEMENT OF RECEIPT OF  
ASSISTED LIVING FACILITY DOCUMENTS**

Woodhaven Manor and Woodhaven House at Williamsburg Landing (the “**facility**”) are currently licensed by the Virginia Department of Social Services as an Assisted Living Facility. This Acknowledgement of Receipt is intended to comply with the regulatory requirements for licensed assisted living facilities at 22VAC40-73-390.

Resident Name: \_\_\_\_\_

By signing below, the above name resident or his or her legal representative acknowledges the following as of the date of his or her signature hereof:

1. Requirements or rules regarding resident conduct, other restrictions, or special conditions have been reviewed by the resident or his legal representative;
2. The resident or his legal representative has been informed of the policy regarding the amount of notice required when a resident wishes to move from the facility;
3. The resident has been informed of the policy regarding pets living in the facility;
4. The resident has been informed of the policy regarding weapons;
5. The resident or his legal representative or responsible individual has reviewed § [63.2-1808](#) of the Code of Virginia, Rights and Responsibilities of Residents of Assisted Living Facilities, and that the provisions of this statute have been explained to him;
6. The resident or his legal representative or responsible individual has reviewed and had explained to him the facility's policies and procedures for implementing § [63.2-1808](#) of the Code of Virginia;
7. The resident has been informed and had explained to him that he may refuse release of information regarding his personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility, notwithstanding any regulatory requirements for assisted living facilities in 22VAC40-73;
8. The resident has been informed that interested residents may establish and maintain a resident council, that the facility is responsible for providing assistance with the formation and maintenance of the council, whether or not such a council currently exists in the facility, and the general purpose of a resident council;
9. The resident has been informed of the bed hold policy in case of temporary transfer or movement from the facility, if the facility has such a policy;

10. The resident has been informed of the policy or guidelines regarding visiting in the facility, if the facility has such a policy or guidelines;
11. The resident has been informed of the rules and restrictions regarding smoking on the premises of the facility;
12. The resident has been informed of the policy regarding the administration and storage of medications and dietary supplements;
13. The resident has been notified in writing whether or not the facility maintains liability insurance that provides at least the minimum amount of coverage established by the board for disclosure purposes to compensate residents or other individuals for injuries and losses from negligent acts of the facility.
14. The resident has received written assurance that the facility has the appropriate license to meet his care needs at the time of admission;
15. The resident has received a copy of the Notice of Privacy Practices of the facility; and
16. The resident has received a copy of the Disclosure Statement required by the Virginia Department of Social Services.

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Signature of Resident Signature or Resident's Legal Representative

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Date

---

Signature of Facility Representative

---

Date

**§ 63.2-1808. Rights and responsibilities of residents of assisted living facilities; certification of licensure.**

A. Any resident of an assisted living facility has the rights and responsibilities enumerated in this section. The operator or administrator of an assisted living facility shall establish written policies and procedures to ensure that, at the minimum, each person who becomes a resident of the assisted living facility:

1. Is fully informed, prior to or at the time of admission and during the resident's stay, of his rights and of all rules and expectations governing the resident's conduct, responsibilities, and the terms of the admission agreement; evidence of this shall be the resident's written acknowledgment of having been so informed, which shall be filed in his record;
2. Is fully informed, prior to or at the time of admission and during the resident's stay, of services available in the facility and of any related charges; this shall be reflected by the resident's signature on a current resident's agreement retained in the resident's file;
3. Unless a committee or conservator has been appointed, is free to manage his personal finances and funds regardless of source; is entitled to access to personal account statements reflecting financial transactions made on his behalf by the facility; and is given at least a quarterly accounting of financial transactions made on his behalf when a written delegation of responsibility to manage his financial affairs is made to the facility for any period of time in conformance with state law;
4. Is afforded confidential treatment of his personal affairs and records and may approve or refuse their release to any individual outside the facility except as otherwise provided in law and except in case of his transfer to another care-giving facility;
5. Is transferred or discharged only when provided with a statement of reasons, or for nonpayment for his stay, and is given reasonable advance notice; upon notice of discharge or upon giving reasonable advance notice of his desire to move, shall be afforded reasonable assistance to ensure an orderly transfer or discharge; such actions shall be documented in his record;
6. In the event a medical condition should arise while he is residing in the facility, is afforded the opportunity to participate in the planning of his program of care and medical treatment at the facility and the right to refuse treatment;
7. Is not required to perform services for the facility except as voluntarily contracted pursuant to a voluntary agreement for services that states the terms of consideration or remuneration and is documented in writing and retained in his record;
8. Is free to select health care services from reasonably available resources;

9. Is free to refuse to participate in human subject experimentation or to be party to research in which his identity may be ascertained;

10. Is free from mental, emotional, physical, sexual, and economic abuse or exploitation; is free from forced isolation, threats or other degrading or demeaning acts against him; and his known needs are not neglected or ignored by personnel of the facility;

11. Is treated with courtesy, respect, and consideration as a person of worth, sensitivity, and dignity;

12. Is encouraged, and informed of appropriate means as necessary, throughout the period of stay to exercise his rights as a resident and as a citizen; to this end, he is free to voice grievances and recommend changes in policies and services, free of coercion, discrimination, threats or reprisal;

13. Is permitted to retain and use his personal clothing and possessions as space permits unless to do so would infringe upon rights of other residents;

14. Is encouraged to function at his highest mental, emotional, physical and social potential;

15. Is free of physical or mechanical restraint except in the following situations and with appropriate safeguards:

a. As necessary for the facility to respond to unmanageable behavior in an emergency situation, which threatens the immediate safety of the resident or others;

b. As medically necessary, as authorized in writing by a physician, to provide physical support to a weakened resident;

16. Is free of prescription drugs except where medically necessary, specifically prescribed, and supervised by the attending physician, physician assistant, or nurse practitioner;

17. Is accorded respect for ordinary privacy in every aspect of daily living, including but not limited to the following:

a. In the care of his personal needs except as assistance may be needed;

b. In any medical examination or health-related consultations the resident may have at the facility;

c. In communications, in writing or by telephone;

d. During visitations with other persons;

e. In the resident's room or portion thereof; residents shall be permitted to have guests or other residents in their rooms unless to do so would infringe upon the rights of other

residents; staff may not enter a resident's room without making their presence known except in an emergency or in accordance with safety oversight requirements included in regulations of the Board;

f. In visits with his spouse; if both are residents of the facility they are permitted but not required to share a room unless otherwise provided in the residents' agreements;

18. Is permitted to meet with and participate in activities of social, religious, and community groups at his discretion unless medically contraindicated as documented by his physician, physician assistant, or nurse practitioner in his medical record;

19. Is fully informed, as evidenced by the written acknowledgment of the resident or his legal representative, prior to or at the time of admission and during his stay, that he should exercise whatever due diligence he deems necessary with respect to information on any sex offenders registered pursuant to Chapter 9 (§ [9.1-900](#) et seq.) of Title 9.1, including how to obtain such information. Upon request, the assisted living facility shall assist the resident, prospective resident, or the legal representative of the resident or prospective resident in accessing this information and provide the resident, prospective resident, or the legal representative of the resident or prospective resident with printed copies of the requested information; and

20. Is informed, in writing and upon request, of whether the assisted living facility maintains the minimum liability coverage, as established by the Board pursuant to subdivision A 10 of § [63.2-1805](#).

B. If the resident is unable to fully understand and exercise the rights and responsibilities contained in this section, the facility shall require that a responsible individual, of the resident's choice when possible, designated in writing in the resident's record, be made aware of each item in this section and the decisions that affect the resident or relate to specific items in this section; a resident shall be assumed capable of understanding and exercising these rights unless a physician determines otherwise and documents the reasons for such determination in the resident's record.

C. The rights and responsibilities of residents shall be printed in at least 12-point type and posted conspicuously in a public place in all assisted living facilities. The facility shall also post the name and telephone number of the regional licensing supervisor of the Department, the Adult Protective Services' toll-free telephone number, as well as the toll-free telephone number for the Virginia Long-Term Care Ombudsman Program, any sub-state ombudsman program serving the area, and the toll-free number of the Commonwealth's designated protection and advocacy system.

D. The facility shall make its policies and procedures for implementing this section available and accessible to residents, relatives, agencies, and the general public.

E. The provisions of this section shall not be construed to restrict or abridge any right that any resident has under law.



F. Each facility shall provide appropriate staff training to implement each resident's rights included in this section.

G. The Board shall adopt regulations as necessary to carry out the full intent of this section.

H. It shall be the responsibility of the Commissioner to ensure that the provisions of this section are observed and implemented by assisted living facilities as a condition to the issuance, renewal, or continuation of the license required by this article.

1984, c. 677, § 63.1-182.1; 1989, c. 271; 1990, c. 458; 1992, c. 356; 1993, cc. 957, 993; 1997, c. [801](#); 2000, c. [177](#); 2002, cc. [45](#), [572](#), [747](#); 2004, c. [855](#); 2006, c. [396](#); 2007, cc. [120](#), [163](#); 2013, cc. [320](#), [571](#).

**APPENDIX B5**

**FORM OF AMENDMENT TO RESIDENCY AGREEMENT  
TRANSFER FROM INDEPENDENT LIVING UNIT OR ASSISTED LIVING UNIT  
TO MEMORY SUPPORT HOME ASSISTED LIVING UNIT**

WILLIAMSBURG LANDING  
AMENDMENT TO RESIDENCY AGREEMENT  
(TRANSFER TO MEMORY SUPPORT HOME)

between

**Williamsburg Landing, Inc.**  
(the “Owner”)

and

\_\_\_\_\_  
(the “Resident”, whether one or more)

**Date of Original Residency Agreement:** \_\_\_\_\_

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**THIS AMENDMENT TO RESIDENCY AGREEMENT (TRANSFER TO MEMORY SUPPORT HOME)** (“Amendment”) is made effective this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between Williamsburg Landing, Inc., a Virginia non-profit corporation (the “Owner”) and the person or persons listed above and identified as the “Resident,” whether one or more.

**RECITALS:**

A. Owner operates “Williamsburg Landing,” a residential continuing care retirement community in James City County, Virginia, which community provides housing and certain services for its residents.

B. Owner and Resident executed that Residency Agreement for  Independent Living Unit or  Assisted Living Unit, dated \_\_\_\_\_ (the “Residency Agreement”) for the unit located at \_\_\_\_\_ (the “Current Unit”).

C. Pursuant to the Residency Agreement, Resident is permanently transferring to a Memory Support Unit in the Owner’s licensed assisted living facility.

D. Owner and Resident desire to amend the Residency Agreement to reflect Resident’s move from the Current Unit to a Memory Support Unit as hereinafter provided.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreement set forth herein and in the Residency Agreement and for other good and valuable

consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. Any capitalized terms contained within this Amendment and not defined herein shall have the meaning as assigned to such term in the Residency Agreement, unless the context clearly requires otherwise.
2. Transfer Date. Resident has moved, or is in the process of moving, to \_\_\_\_\_ (the "Memory Support Unit") with the date of transfer agreed to be \_\_\_\_\_, 20\_\_ (the "Transfer Date").
3. Memory Support Unit. As of the Transfer Date, Resident shall have the privilege of occupying the Memory Support Unit so long as Resident meets the terms and conditions of the Residency Agreement and this Amendment thereto and conforms to the policies and procedures of Owner. Owner agrees to furnish and maintain, at Owner's expense, the following for the Memory Support Unit:
  - A. Heating and air conditioning units with individually controlled thermostats
  - B. Smoke Detectors
  - C. Emergency response system

In addition, Owner will furnish mini-blinds and will furnish floor coverings consisting of wall-to-wall carpeting, except in bathrooms, for which vinyl floor coverings shall be furnished. Replacement of floor coverings is at the sole discretion of Owner. All other furnishings shall be provided and maintained by Resident.

4. Services Provided.
  - A. Residential Services Provided by Owner. Owner shall furnish the following services to all residents of Williamsburg Landing, the costs of which shall be covered by the Monthly Service Fees, except where specifically noted:
    - (1) Maintenance and Repairs. Owner will perform necessary repairs, maintenance and replacement of its own property and equipment, the common areas of Williamsburg Landing and the exterior and interior of the memory support units. Repairs, maintenance and replacement of Resident's own property will be the responsibility of Resident.
    - (2) Security. Owner will equip the Memory Support Unit with a Nurse Call system which will be monitored on a 24 hour basis and an automatic smoke alarm. Owner will staff a security station and will patrol the grounds on a scheduled basis.
    - (3) Meals. will operate at least one dining facility for three meals per day; included in the Monthly Service Fee are 3 meals per day for each Resident. Private dining facilities will be available to Resident to be used on a reserved basis at an additional charge to him. Special diets, as may be prescribed by Resident's physician, will be provided for Resident and Owner, at its discretion, may charge Resident the expense.

(4) Scheduled Transportation. Owner will provide scheduled transportation from Williamsburg Landing to local shopping areas and between the Memory Support Facility and the Williamsburg Landing central building. Transportation for medical treatment in the local Williamsburg area will be provided by Owner if Resident is unable to furnish Resident's own transportation. Transportation for other personal needs may be provided at an additional charge.

(5) Planned Activities. Owner will coordinate special events which may include such items as concerts, tours and cultural or social events. Additional charges may apply for participation in these activities.

(6) Management Services. Owner will provide professional management services to the community.

(7) Buildings and Grounds. Owner will maintain the common areas of all buildings and the grounds including the lawns, walkways and driveways.

(8) Utilities. Owner will furnish water, sewer, heat, light, power, air conditioning, and local telephone service. Resident will pay for long distance telephone charges and internet access, if utilized.

(9) Housekeeping. Owner will clean the Memory Support Unit weekly.

(10) Laundry. Owner will provide personal laundry service.

(11) Taxes. Owner will pay all real and personal property taxes assessed against Owner.

B. Health Care Services Provided.

(1) Health Care Offered by Owner. The following health care services will be provided by Owner and included in the Monthly Service Fee:

a. Emergency call system

b. An Outpatient Clinic providing:

(i) initial health screenings for new Residents (weight check, blood pressure screening, nurse consultation)

(ii) blood pressure checks

(iii) phlebotomy service (does not include lab charges)

(iv) scheduled nurse consultation

- c. Initial one time nutrition counseling for new Residents (subsequent counseling is at Resident's expense)
- d. Subject to the review and approval of the Medical Director or its designee and the Medical Transfer procedures provided for in the Residency Agreement and provided that Resident is an occupant of an Independent Living Unit or Assisted Living Unit or Memory Support Unit during that calendar year, up to ten (10) days of care in the Nursing Center per calendar year (non-cumulative from year to year) on a private room (shared bath) basis.

Additional stays in the Nursing Center beyond such ten (10) days per calendar year (non-cumulative from year to year) of care, or stays in the Nursing Center that do not qualify for such ten (10) days, will be at Resident's expense at the then current rate for the applicable private room. For care in other than a private room (shared bath) basis during such ten (10) days, Resident will be charged the per diem private room rate, less the private room (shared bath) rate.

Nursing Center. Owner operates Woodhaven Hall (Williamsburg Landing Health and Rehabilitation Center), which is a nursing facility on site licensed by the Commonwealth of Virginia as a nursing home (the "Nursing Center"). Nursing care provided by Owner shall be limited to that care given in the Nursing Center or in another part of Williamsburg Landing designated by Owner. Resident may employ private duty nurses and sitters at Resident's expense, but only after approval by Owner of the nurses and sitters and/or firm providing such nurses and sitters and subject to policies and procedures of Owner. Owner assumes no responsibility for overseeing such private duty providers of services.

Memory Support Facility. Owner will provide assisted living and memory support services to Residents of the Memory Support Facility and shall staff such with trained personnel. Typical services to be provided are as follows:

- a. Three nutritious meals daily, including special diets as may be prescribed by Resident's physician
- b. Assistance with activities of daily living as needed
- c. Assistance with problems resulting from loss of speech, hearing or sight
- d. Administration of medication as needed
- e. Assistance in bathing
- f. Special treatments such as blood pressure checks
- g. Availability of private duty services; such services to be paid for by Resident after approval by Owner of persons and firms involved

- h. Assistance in maintenance and housekeeping to provide a clean, safe environment
- i. Specialized activities programs for residents with memory impairment.

Medical Director. Owner will designate as medical director a licensed physician who shall be responsible for monitoring the health care services at Williamsburg Landing (the "Medical Director") and shall be available to Owner for advice and consultation.

(2) Additional Health Care Services. Additional health care services will be provided or made available through independent or related contractors approved by Owner. Resident will be responsible for paying the rates charged for any of these additional services utilized. Typical services to be provided are as follows:

- a. Primary care physician services
- b. Home health care
- c. Licensed nurses
- d. Physical therapists
- e. Occupational therapists
- f. Speech therapists
- g. Massage therapy
- h. Primary and specialty physicians services in the outpatient clinic

(3) Release of Resident Information. Resident hereby acknowledges and agrees that the Resident may refuse to allow the Facility to release any information regarding the Resident's personal affairs and records to any individual outside of the Facility, except when such release is required or permitted by applicable law or in the case of a transfer of the Resident outside the Facility.

C. Additional Services. Owner may offer other services in addition to those listed specifically in herein. If Resident chooses to accept those additional services, Resident agrees to pay all applicable additional charges.

D. Notice of Change in Services Provided or Fees. Thirty (30) days prior written notice shall be provided to Resident concerning any change that decreases the scope of services described in this Section 5. A listing of charges for services provided by Owner that are not covered by the Monthly Service Fee will be available to all Residents. Thirty (30) days prior written notice shall be provided to Resident concerning increases in these charges or Monthly Service Fees.

5. Entrance Fee. The Entrance Fee calculation of the refund or additional amount due shall continue to be as provided for in the Residency Agreement, which calculation as of the Transfer Date is shown on the attached Exhibit A.

6. Monthly Service Fee. The initial Monthly Service Fee associated with the Memory Support Unit to which Resident is transferring is \$\_\_\_\_\_; provided, however, that initial Monthly Service Fee is an estimate based upon the Monthly Service Fee in effect on the date of the execution of this Amendment. The initial actual Monthly Service Fee and credit(s) will be in the amount of this estimate unless Resident is otherwise notified in writing on or before the Transfer Date, subject to increase or decrease subsequent to the Transfer Date as provided in the Residency Agreement. The Monthly Service Fee is subject to change with 30 days notice. The Monthly Service Fee will stop on the Current Unit occupied by Resident when Resident has removed all belongings and unit keys have been turned into Marketing and will start on the Memory Support Unit once Resident obtains a key and moves items into the Memory Support Unit to which Resident has transferred.

7. Fees for Additional Services. Owner may provide additional services which are not included in the Monthly Service Fee for which an additional charge may be made pursuant to Owner's published fee schedule

8. Monthly Statement of Charges and Payments. On a monthly basis, the Facility will provide the Resident and Resident's Agent with a monthly statement with respect to the immediately preceding month that shows an itemization of any charges made by the Facility during such month (including the Monthly Service Fee and any additional fees charged for additional services) and any payments received by the Facility from the Resident or on the Resident's behalf. Such monthly statement shall also show the balance due for such month and any credits for overpayments previously made by the Resident. Such monthly statements shall be maintained in the Resident's record.

9. Nonpayment of Fees. The terms in the Residency Agreement regarding the nonpayment of fees shall continue to be in full force and effect.

10. Termination.

A. Termination by Resident or Owner. The parties acknowledge and agree that all terms and provisions related to the termination of the Residency Agreement by the Resident or Owner and the refund of the Entrance Fee upon termination shall continue to be governed by the Residency Agreement, including those provisions that describe the actions, circumstances or conditions that may result in the Resident's discharge from the facility; except notice of termination is only required to be given at least thirty (30) days prior to the date on which Resident desires to terminate the Residency Agreement; provided, however, Resident shall continue to pay the Monthly Service Fee until the later of thirty (30) days after the date of such written notice of termination or until the Memory Support Unit is vacated and released. In accordance with the foregoing, all references to one hundred twenty (120) days or forty five (45) days in subsection VI.A. of the Residency Agreement are hereby changed to thirty (30) days with respect to the Resident who has transferred to the Memory Support Unit.



B. Termination by Death. The Residency Agreement, as amended, shall automatically terminate immediately upon the death of Resident but subject to the obligation of Resident's estate to pay the Monthly Service Fee until the earlier of thirty (30) days after such death or until the Memory Support Unit is vacated and released. In addition, the refund provisions of the Entrance Fee shall continue to be governed by the Residency Agreement.

11. Memory Support Center Rules, Policies and Procedures. Owner reserves the right to adopt such reasonable policies and procedures for the operation of Williamsburg Landing as Owner, in its sole discretion, determines necessary and to amend such policies and procedures from time to time as Owner may deem necessary, including policies and procedures specifically applicable to its assisted living facility and memory support center ("Policies and Procedures"). Copies of Policies and Procedures shall be available at all times in the administration office of Williamsburg Landing. Such Policies and Procedures are hereby incorporated into this Agreement by this reference, and Resident and Resident's Agent hereby agree to abide by such Policies and Procedures, as in effect from time to time. Resident acknowledges receipt of a copy of the Residents' Manual prior to execution hereof.

12. Alterations, Additions, Use and Condition of Memory Support Unit. Resident and Resident's Agent hereby covenant to perform all of the obligations of Resident set forth in this Amendment, including, but not limited to, Resident's obligations to pay all fees and charges described in this Amendment. Resident shall make no structural alteration, modification or additions or physical changes of any type to the Memory Support Unit without the prior written consent of Owner. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of Owner. Title to all such alterations, modifications, additions and changes to the Memory Support Unit shall immediately vest in Owner and remain the property of Owner.

Resident hereby agrees that Resident shall not use the Memory Support Unit or permit the same to be used contrary to any federal, state or local law or the rules and regulations of Williamsburg Landing or in any manner that would cause the value or the usefulness of the Memory Support Unit to diminish (ordinary wear and tear excepted) or that would constitute a public or private nuisance or waste. Resident further agrees that Resident will not do or permit anything to be done on or about the Memory Support Unit that will adversely affect any policies of insurance that are carried by Owner with respect to Williamsburg Landing. At the request of Owner, Resident will remove anything used or kept in the Memory Support Unit that, in the sole opinion of Owner, is harmful to Williamsburg Landing or disturbing to other residents or that is objectionable to Owner's insurance companies or would cause such insurance companies to increase Owner's insurance rates. Upon termination of this Agreement, Resident, or those acting on Resident's behalf, shall leave the Memory Support Unit empty of personal property and in good and broom clean condition except for reasonable wear and tear, and Resident shall be liable to Owner for any costs incurred in restoring the Memory Support Unit to empty of personal property and in good and broom clean condition except for costs incurred as a result of reasonable wear and tear.

13. Notices. Any written notice required to be given by Owner to Resident shall be given to both Resident and Resident's Agent at the addresses indicated herein.

14. Authority of Resident's Agent. Resident's Agent by signing this Agreement on behalf of Resident represents that Resident's Agent has the legal authority to sign this Agreement and that by doing so Resident is legally bound by all of the terms of this Agreement.

15. Effect of this Amendment. By executing this Amendment, Resident and Resident's Agent agree that Resident remains bound by the terms of the Residency Agreement, as modified and supplemented by this Amendment. The Residency Agreement is hereby ratified and confirmed as hereby amended. In the event of a conflict in the terms of the Residency Agreement and this Amendment, this Amendment shall take precedence over the Residency Agreement.

16. Miscellaneous.

A. Assignability. This Amendment shall not be assigned by the Resident, either in whole or in part. The Owner may, without notice, assign this Amendment in whole or in part.

B. Binding Effect. This Amendment and all rights and obligations hereunder shall be binding upon and inure to the benefit of the parties and their respective heirs, assigns, and personal representatives.

C. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

D. Governing Law. This Amendment shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

E. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together will constitute one and the same instrument. Signatures may be by facsimile or other electronic means and shall be given the same effect as original signatures.

*[SIGNATURES APPEAR ON THE FOLLOWING PAGE]*

IN WITNESS WHEREOF, the Owner has executed this Amendment, by its duly authorized representative, and the Resident has executed this Amendment, in his or her own name, all as of the date first above written.

**WILLIAMSBURG LANDING, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**RESIDENT:**

\_\_\_\_\_  
Name

Acting: (mark one)

Under Power of Attorney

As Conservator and Guardian under Court Order

Address of Agent:

\_\_\_\_\_  
\_\_\_\_\_

**Exhibit A to Amendment to Residency Agreement (Transfer)**

Initial Move-in Date: \_\_\_\_\_

Transfer Date: \_\_\_\_\_

Previous Entry Fee:	\$0.00
New Entry Fee:	<u>\$0.00</u> (20__ rate per Accounting Office)
Difference:	\$0.00
Modification Fee Refund (Previous):	\$0.00
Refurbishment Fee:	\$0.00
Modification/Upgrade Costs for new Residential Unit:	\$0.00
Legal & Accounting Fee:	<u>\$0.00</u>
Net amount due to (owed by) Resident:	\$0.00

\_\_\_\_\_ Refundable Entrance Fee of \$0.00 remains as is (\_\_% refundable).  
(Refundable portion \$0.00)

\_\_\_\_\_ Entrance Fee for new unit is less and a refund has been processed in  
the amount of \$0.00. New entrance fee of \$0.00 is \_\_% refundable.

\_\_\_\_\_ Modification Fee Refund has been processed in the amount of \$0.00.

**Assisted Living Facility Liability Insurance Disclosure  
Notification Form**

**Required by the Virginia Department of Social Services  
as specified in 22 VAC 40-73-390 A 4 m**

This facility maintains liability insurance that provides at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from negligent acts of the facility.

Yes

No

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Signature of Resident or Resident's Agent

Date

---

Licensee/Administrator signature

Date

**WILLIAMSBURG LANDING, INC.**

**WOODHAVEN MANOR/WOODHAVEN HOUSE**

**ACKNOWLEDGEMENT OF RECEIPT OF  
ASSISTED LIVING FACILITY DOCUMENTS**

Woodhaven Manor and Woodhaven House at Williamsburg Landing (the “**facility**”) are currently licensed by the Virginia Department of Social Services as an Assisted Living Facility. This Acknowledgement of Receipt is intended to comply with the regulatory requirements for licensed assisted living facilities at 22VAC40-73-390.

Resident Name: \_\_\_\_\_

By signing below, the above name resident or his or her legal representative acknowledges the following as of the date of his or her signature hereof:

1. Requirements or rules regarding resident conduct, other restrictions, or special conditions have been reviewed by the resident or his legal representative;
2. The resident or his legal representative has been informed of the policy regarding the amount of notice required when a resident wishes to move from the facility;
3. The resident has been informed of the policy regarding pets living in the facility;
4. The resident has been informed of the policy regarding weapons;
5. The resident or his legal representative or responsible individual has reviewed § [63.2-1808](#) of the Code of Virginia, Rights and Responsibilities of Residents of Assisted Living Facilities, and that the provisions of this statute have been explained to him;
6. The resident or his legal representative or responsible individual has reviewed and had explained to him the facility's policies and procedures for implementing § [63.2-1808](#) of the Code of Virginia;
7. The resident has been informed and had explained to him that he may refuse release of information regarding his personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility, notwithstanding any regulatory requirements for assisted living facilities in 22VAC40-73;
8. The resident has been informed that interested residents may establish and maintain a resident council, that the facility is responsible for providing assistance with the formation and maintenance of the council, whether or not such a council currently exists in the facility, and the general purpose of a resident council;
9. The resident has been informed of the bed hold policy in case of temporary transfer or movement from the facility, if the facility has such a policy;
10. The resident has been informed of the policy or guidelines regarding visiting in the facility, if the facility has such a policy or guidelines;

11. The resident has been informed of the rules and restrictions regarding smoking on the premises of the facility;
12. The resident has been informed of the policy regarding the administration and storage of medications and dietary supplements;
13. The resident has been notified in writing whether or not the facility maintains liability insurance that provides at least the minimum amount of coverage established by the board for disclosure purposes to compensate residents or other individuals for injuries and losses from negligent acts of the facility.
14. The resident has received written assurance that the facility has the appropriate license to meet his care needs at the time of admission;
15. The resident has received a copy of the Notice of Privacy Practices of the facility; and
16. The resident has received a copy of the Disclosure Statement required by the Virginia Department of Social Services.

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Signature of Resident or Resident's Agent

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Date

---

Signature of Facility Representative

---

Date

**§ 63.2-1808. Rights and responsibilities of residents of assisted living facilities; certification of licensure.**

A. Any resident of an assisted living facility has the rights and responsibilities enumerated in this section. The operator or administrator of an assisted living facility shall establish written policies and procedures to ensure that, at the minimum, each person who becomes a resident of the assisted living facility:

1. Is fully informed, prior to or at the time of admission and during the resident's stay, of his rights and of all rules and expectations governing the resident's conduct, responsibilities, and the terms of the admission agreement; evidence of this shall be the resident's written acknowledgment of having been so informed, which shall be filed in his record;
2. Is fully informed, prior to or at the time of admission and during the resident's stay, of services available in the facility and of any related charges; this shall be reflected by the resident's signature on a current resident's agreement retained in the resident's file;
3. Unless a committee or conservator has been appointed, is free to manage his personal finances and funds regardless of source; is entitled to access to personal account statements reflecting financial transactions made on his behalf by the facility; and is given at least a quarterly accounting of financial transactions made on his behalf when a written delegation of responsibility to manage his financial affairs is made to the facility for any period of time in conformance with state law;
4. Is afforded confidential treatment of his personal affairs and records and may approve or refuse their release to any individual outside the facility except as otherwise provided in law and except in case of his transfer to another care-giving facility;
5. Is transferred or discharged only when provided with a statement of reasons, or for nonpayment for his stay, and is given reasonable advance notice; upon notice of discharge or upon giving reasonable advance notice of his desire to move, shall be afforded reasonable assistance to ensure an orderly transfer or discharge; such actions shall be documented in his record;
6. In the event a medical condition should arise while he is residing in the facility, is afforded the opportunity to participate in the planning of his program of care and medical treatment at the facility and the right to refuse treatment;
7. Is not required to perform services for the facility except as voluntarily contracted pursuant to a voluntary agreement for services that states the terms of consideration or remuneration and is documented in writing and retained in his record;
8. Is free to select health care services from reasonably available resources;
9. Is free to refuse to participate in human subject experimentation or to be party to research in which his identity may be ascertained;



10. Is free from mental, emotional, physical, sexual, and economic abuse or exploitation; is free from forced isolation, threats or other degrading or demeaning acts against him; and his known needs are not neglected or ignored by personnel of the facility;

11. Is treated with courtesy, respect, and consideration as a person of worth, sensitivity, and dignity;

12. Is encouraged, and informed of appropriate means as necessary, throughout the period of stay to exercise his rights as a resident and as a citizen; to this end, he is free to voice grievances and recommend changes in policies and services, free of coercion, discrimination, threats or reprisal;

13. Is permitted to retain and use his personal clothing and possessions as space permits unless to do so would infringe upon rights of other residents;

14. Is encouraged to function at his highest mental, emotional, physical and social potential;

15. Is free of physical or mechanical restraint except in the following situations and with appropriate safeguards:

a. As necessary for the facility to respond to unmanageable behavior in an emergency situation, which threatens the immediate safety of the resident or others;

b. As medically necessary, as authorized in writing by a physician, to provide physical support to a weakened resident;

16. Is free of prescription drugs except where medically necessary, specifically prescribed, and supervised by the attending physician, physician assistant, or nurse practitioner;

17. Is accorded respect for ordinary privacy in every aspect of daily living, including but not limited to the following:

a. In the care of his personal needs except as assistance may be needed;

b. In any medical examination or health-related consultations the resident may have at the facility;

c. In communications, in writing or by telephone;

d. During visitations with other persons;

e. In the resident's room or portion thereof; residents shall be permitted to have guests or other residents in their rooms unless to do so would infringe upon the rights of other residents; staff may not enter a resident's room without making their presence known except in an emergency or in accordance with safety oversight requirements included in regulations of the Board;

f. In visits with his spouse; if both are residents of the facility they are permitted but not required to share a room unless otherwise provided in the residents' agreements;

18. Is permitted to meet with and participate in activities of social, religious, and community groups at his discretion unless medically contraindicated as documented by his physician, physician assistant, or nurse practitioner in his medical record;

19. Is fully informed, as evidenced by the written acknowledgment of the resident or his legal representative, prior to or at the time of admission and during his stay, that he should exercise whatever due diligence he deems necessary with respect to information on any sex offenders registered pursuant to Chapter 9 (§ [9.1-900](#) et seq.) of Title 9.1, including how to obtain such information. Upon request, the assisted living facility shall assist the resident, prospective resident, or the legal representative of the resident or prospective resident in accessing this information and provide the resident, prospective resident, or the legal representative of the resident or prospective resident with printed copies of the requested information; and

20. Is informed, in writing and upon request, of whether the assisted living facility maintains the minimum liability coverage, as established by the Board pursuant to subdivision A 10 of § [63.2-1805](#).

B. If the resident is unable to fully understand and exercise the rights and responsibilities contained in this section, the facility shall require that a responsible individual, of the resident's choice when possible, designated in writing in the resident's record, be made aware of each item in this section and the decisions that affect the resident or relate to specific items in this section; a resident shall be assumed capable of understanding and exercising these rights unless a physician determines otherwise and documents the reasons for such determination in the resident's record.

C. The rights and responsibilities of residents shall be printed in at least 12-point type and posted conspicuously in a public place in all assisted living facilities. The facility shall also post the name and telephone number of the regional licensing supervisor of the Department, the Adult Protective Services' toll-free telephone number, as well as the toll-free telephone number for the Virginia Long-Term Care Ombudsman Program, any sub-state ombudsman program serving the area, and the toll-free number of the Commonwealth's designated protection and advocacy system.

D. The facility shall make its policies and procedures for implementing this section available and accessible to residents, relatives, agencies, and the general public.

E. The provisions of this section shall not be construed to restrict or abridge any right that any resident has under law.

F. Each facility shall provide appropriate staff training to implement each resident's rights included in this section.

G. The Board shall adopt regulations as necessary to carry out the full intent of this section.

H. It shall be the responsibility of the Commissioner to ensure that the provisions of this section are observed and implemented by assisted living facilities as a condition to the issuance, renewal, or continuation of the license required by this article.

1984, c. 677, § 63.1-182.1; 1989, c. 271; 1990, c. 458; 1992, c. 356; 1993, cc. 957, 993; 1997, c. [801](#); 2000, c. [177](#); 2002, cc. [45](#), [572](#), [747](#); 2004, c. [855](#); 2006, c. [396](#); 2007, cc. [120](#), [163](#); 2013, cc. [320](#), [571](#).

**APPENDIX B6**

**FORM OF AMENDMENT TO RESIDENCY AGREEMENT  
TRANSFER FROM INDEPENDENT LIVING UNIT OR ASSISTED LIVING UNIT  
TO NURSING CENTER**

WILLIAMSBURG LANDING  
AMENDMENT TO RESIDENCY AGREEMENT  
(TRANSFER TO NURSING CENTER)

between

**Williamsburg Landing, Inc.**  
(the “Operator”)

and

\_\_\_\_\_  
(the “Resident”, whether one or more)

**Date of Original Residency Agreement:** \_\_\_\_\_

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**THIS AMENDMENT TO RESIDENCY AGREEMENT (TRANSFER TO NURSING CENTER)** (“Amendment”) is made effective this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between Williamsburg Landing, Inc., a Virginia non-profit corporation (the “Operator”) and the person or persons listed above and identified as the “Resident,” whether one or more.

**RECITALS:**

A. The Operator operates “Williamsburg Landing,” a residential continuing care retirement community in James City County, Virginia, which community provides housing and certain services for its residents.

B. The Operator and Resident executed that Residency Agreement for  Independent Living Unit or  Assisted Living Unit, dated \_\_\_\_\_ (the “Residency Agreement”) for the unit located at \_\_\_\_\_ (the “Unit”).

C. Pursuant to the Residency Agreement, Resident is permanently transferring to the Nursing Center, the Operator’s licensed nursing home within its Health and Rehabilitation Center.

D. The Operator and Resident desire to amend the Residency Agreement to reflect Resident’s move from the Unit to the Nursing Center as hereinafter provided.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreement set forth herein and in the Residency Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. Any capitalized terms contained within this Amendment and not defined herein shall have the meaning as assigned to such term in the Residency Agreement, unless the context clearly requires otherwise.
2. Transfer Date. Resident has moved, or is in the process of moving, to the Nursing Center in the Health and Rehabilitation Center with the date of transfer agreed to be \_\_\_\_\_, 20\_\_ (the “Transfer Date”).
3. Nursing Center. As of the Transfer Date, Resident shall have the privilege of occupying a room in the Nursing Center so long as Resident meets the terms and conditions of the Residency Agreement and this Amendment thereto and conforms to the policies and procedures of the Operator for the Nursing Center.
4. Medicare Benefits. If Resident receives services and supplies which are eligible for reimbursement under Medicare Part A, the Operator shall accept such reimbursement as payment in full for such services and supplies and Resident shall not be obligated to pay any additional amounts for such reimbursable services and supplies with the exception of any applicable copayments or coinsurance amounts associated with the payment from Medicare. In the event Medicare denies payment for any reimbursable services and supplies, Resident hereby agrees to pay for the services and supplies within ten (10) days of the receipt of the notice of denial. Resident acknowledges and agrees that if Resident is eligible for reimbursement under Medicare Part A and Resident opts for a private room which is not medically indicated, then Resident will be responsible for the difference in cost from a semi-private room to a private room. Resident acknowledges that Operator has made no representation with respect to financial assistance and/or availability of state or federal subsidies.
5. Responsible Party. Resident’s Responsible Party is any person legally responsible for the Resident, which shall include, without limitation, a guardian, a person holding a durable power of attorney, a committee, a conservator, or any person appointed by Resident or a court of competent jurisdiction to act as his/her Responsible Party. Resident may continue to make his/her own decisions until determined by Resident’s physician or the Nursing Center’s Medical Director to be unable to make his/her own medical decisions. The Responsible Party must execute the Resident’s Responsible Party Verification and Agreement, which is attached hereto and made a part hereof as **EXHIBIT A**. If Resident has not appointed anyone to serve as his/her Responsible Party, the Resident must complete the Responsible Party Appointment Agreement, attached hereto as **EXHIBIT B, Part 1 and Part 2**. The Operator will communicate and consult with the Responsible Party in all matters pertaining to the Resident’s care and well-being, including notification of changes in the Resident’s condition and financial status. The Operator will not be responsible for communication to any family members other than the Responsible Party. In the event discharge is required under any provision of this Agreement, the Responsible Party agrees to cooperate and assist the Operator in making the necessary arrangements for discharge or transfer. In the event that Resident, as determined by his/her attending physician or the Nursing Center’s Medical Director, is or becomes incapable of understanding his/her rights and responsibilities under the Residency Agreement and this Amendment, or is otherwise incapable of managing his/her affairs, all such rights and responsibilities shall devolve to the Responsible Party.

6. Operator Responsibilities.

A. The Operator agrees to provide, in accordance with the attending physician's orders, room, board, linens, nursing care, and such other licensed nursing facility services as may be required for the health, safety, and well-being of Resident.

B. The Operator cannot and does not guarantee the medical welfare of Resident or the availability of medical services. Resident is solely responsible for obtaining his/her own personal attending physician. The Operator will assist Resident to the extent necessary in obtaining a personal physician, but the Operator shall not be liable for any acts or omissions of such physician or for following the instructions of said physician. Resident hereby consents to any treatments or services rendered at the Nursing Center by the Operator pursuant to the instructions of the attending physician.

C. The Operator shall arrange for Resident's transfer to the hospital of the Resident's choice, provided such hospital has a bed available for the Resident, when ordered by the attending physician, with immediate notification to the Responsible Party.

D. The Operator may refuse to admit or retain any Resident who poses a threat to the safety, health and/or welfare of other Residents and/or staff or who requires greater care than the Nursing Center can provide.

E. The Operator and/or its employees shall not be held responsible for the loss, destruction, or theft of personal belongings, valuables, or money left with Resident. All personal items of Resident shall be clearly marked with Resident's name and related identification.

F. The Operator shall exercise reasonable care regarding Resident's known medical condition. The Operator, however, does not assume any liability beyond the duty of reasonable care for Resident's health, safety, and welfare.

G. The Operator reserves the right to determine room assignment or Resident placement, and to make changes in room assignments in accordance with state and federal notice requirements when necessary. However, the Operator will honor the requests of the Resident whenever possible.

H. To the extent not set by physician order or state or federal law, the Operator shall determine the food menu, service time, and visiting hours and may establish other rules and regulations to ensure the safety, health, welfare, and enjoyment of the Nursing Center services by all residents.

7. Resident Duties: Resident and the Responsible Party also agree:

A. To bring in and maintain personal clothing and personal care supplies as needed or desired by Resident and as required by the Operator.

B. To give the Operator twenty-four (24) hours advance notice of Resident's desire to make a home visit. The Operator will provide Resident with the medication needed while on leave. Resident further agrees to sign out of the Nursing Center for all departures from Nursing Center and its grounds.

C. To indemnify and hold the Operator harmless from any claims or losses resulting from any injury or damage that Resident may incur or cause while outside the physical confines of the Nursing Center.

D. To visits by a physician of his/her choice upon admission and at regular intervals thereafter.

E. To visits by the Nursing Center's Medical Director or other physician/physician designee when necessary, if Resident's physician is unavailable.

F. To the Operator's choice of transportation to the Responsible Party's home or other destination following discharge of Resident for any reason.

G. To follow the Operator's rules, policies and procedures for the Nursing Center as established from time to time which shall be provided to Resident upon admission.

8. Entrance Fee. The Entrance Fee calculation of the refund or additional amount due shall continue to be as provided for in the Residency Agreement, which calculation as of the Transfer Date is shown on the attached **Exhibit C**.

9. Fees. Upon Resident's permanent transfer to the Nursing Center as of the Transfer Date, the Monthly Service Fee for single or double occupancy of the Unit (as appropriate) will cease or be adjusted as provided in the Residency Agreement. However, failure to remove all personal property from the Unit to be vacated within the required time as set forth in the Residency Agreement will result in reinstatement of Monthly Service Fees until all personal property is removed from the Unit.

10. Termination. The parties acknowledge and agree that all terms and provisions related to the termination of the Residency Agreement by Resident or the Operator and the refund of the Entrance Fee upon termination shall continue to be governed by the Residency Agreement, including those provisions that describe the actions, circumstances or conditions that may result in Resident's discharge from the Nursing Center; provided, however, notice of termination is only required to be given at least thirty (30) days prior to the date on which Resident desires to terminate the Residency Agreement. In accordance with the foregoing, all references to one hundred twenty (120) days or forty five (45) days in subsection VI.A. of the Residency Agreement are hereby changed to thirty (30) days with respect to the Resident who has transferred to the Nursing Center.

11. Rules, Policies and Procedures. The Operator reserves the right to adopt such reasonable rules, policies and procedures for the operation of the Nursing Center at Williamsburg Landing, in its sole discretion, as it determines necessary and to amend such rules, policies and procedures from time to time as the Operator may deem necessary, including rules, policies and procedures



specifically applicable to the Nursing Center ("Policies and Procedures"). A copy of the current Policies and Procedures is provided in the Resident's Handbook which is part of the admissions packet and, by signing this Amendment, Resident acknowledges that Resident has received a copy of the Resident's Handbook and has had the opportunity to listen to, read, and ask any questions about the Policies and Procedures. Resident hereby agrees to abide by such Policies and Procedures, as in effect from time to time.

12. Resident Medication Policy. Any unauthorized use by residents of prescriptions or over-the-counter drugs such as aspirin, topical ointment, etc., is strictly prohibited. However, if the interdisciplinary care plan team, in consultation with Resident, determines that self-administration of drugs is safe, Resident may self-administer drugs in accordance with instructions from Resident's attending physician or the Nursing Center Medical Director. In this case, medication must be kept either in the medication cart or locked in a container at Resident's bedside.

13. Resident Rights Policy. Resident shall receive a copy of the Health and Rehabilitation Center Resident Rights policy upon admission to the Nursing Center. By signing this Agreement, Resident acknowledges that Resident has received the Resident Rights policy and has had the opportunity to listen to, read, and ask any questions about the Resident Rights policy. Resident further acknowledges that the Operator has the right to revise and amend its Resident Rights policy from time to time so that it is at all times in compliance with all applicable federal and state statutes, rules and policies. The Operator agrees that Resident will be informed and provided a copy of all revisions or amendments to the Resident Rights policy.

14. Alterations, Additions, Use and Condition. Resident shall make no structural alteration, modification or additions or physical changes of any type to Resident's room in the Nursing Center without the prior written consent of the Operator. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of the Operator. Title to all such alterations, modifications, additions and changes to Resident's room in the Nursing Center shall immediately vest in the Operator and remain the property of the Operator.

15. Effect of this Amendment. By executing this Amendment, Resident agrees that Resident remains bound by the terms of the Residency Agreement, as modified and supplemented by this Amendment. The Residency Agreement is hereby ratified and confirmed as hereby amended. In the event of a conflict in the terms of the Residency Agreement and this Amendment, this Amendment shall take precedence over the Residency Agreement.

16. Miscellaneous.

A. Assignability. This Amendment shall not be assigned by Resident, either in whole or in part. The Operator may, without notice, assign this Amendment in whole or in part.

B. Binding Effect. This Amendment and all rights and obligations hereunder shall be binding upon and inure to the benefit of the parties and their respective heirs, assigns, and personal representatives.

C. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

D. Governing Law. This Amendment shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

E. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together will constitute one and the same instrument. Signatures may be by facsimile or other electronic means and shall be given the same effect as original signatures.

*[SIGNATURES APPEAR ON THE FOLLOWING PAGE]*

IN WITNESS WHEREOF, the Operator has executed this Amendment, by its duly authorized representative, and the Resident has executed this Amendment, in his or her own name, all as of the date first above written.

**OPERATOR:**

**WILLIAMSBURG LANDING, INC.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**RESIDENT:**

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Acting: (mark one)

Under Power of Attorney

As Conservator and Guardian under Court Order

Address of Agent:

\_\_\_\_\_

\_\_\_\_\_

## EXHIBIT A

### **RESIDENT'S RESPONSIBLE PARTY VERIFICATION AND AGREEMENT**

1. The undersigned has been appointed through court order as the guardian and/or conservator or is the holder of a power of attorney, or is otherwise appointed to act as a Responsible Party on behalf of Resident. The undersigned has delivered to the Operator on the date hereof copies of the necessary legal documents designating the undersigned as the guardian and/or conservator and/or holder of a power of attorney of Resident, as applicable. The undersigned hereby agrees as follows:

- (a) To utilize the funds of Resident (i) to pay all costs and expenses incurred by Resident owing to the Operator and (ii) to arrange for the provision of personal clothing and care supplies as needed, as desired by Resident, or as otherwise required by the Operator.
- (b) To give the Operator twenty-four (24) hours advance notice of Resident's desire to make a home visit. The Operator will provide Resident with proper medication needed while on leave, not to exceed dosages necessary for three (3) days. The undersigned further agrees to sign Resident out of the Nursing Center.
- (c) To indemnify and hold the Operator harmless from any claims, losses or damages, resulting from any injury or damage that Resident may incur or cause while on a home visit.

2. The Operator will communicate and consult with the Responsible Party in all matters pertaining to Resident's care and well-being, including notification of changes in the Resident's medical condition or financial condition.

3. The Operator will not be responsible for communications to any family members or other persons other than the Responsible Party.

4. In the event Discharge is required under any provision of the Residency Agreement and/or Amendment, the Responsible Party agrees to cooperate and assist the Operator in making the necessary arrangements for discharge or transfer, which may include accepting Resident in his/her home if no other satisfactory arrangements have been agreed to by Resident and the Operator.

5. In the event that Resident, as certified by the attending physician, is or becomes incapable of understanding his/her rights and responsibilities under the Residency Agreement and Amendment, or is otherwise incapable of managing Resident's affairs, all such rights and responsibilities shall devolve to the Responsible Party in accordance with applicable law.

6. The Responsible Party acknowledges that he/she is aware of the complaint procedure to be used if there is a concern with the service of any Nursing Center department or Operator employee. The Responsible Party shall direct any complaints to the Director of Nursing or the Administrator.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

\_\_\_\_\_  
Operator Representative Signature

\_\_\_\_\_  
Responsible Party Signature

\_\_\_\_\_  
Operator Representative Printed Name

\_\_\_\_\_  
Responsible Party Printed Name

\_\_\_\_\_  
Operator Representative Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Home Phone: \_\_\_\_\_

Business Phone: \_\_\_\_\_

**EXHIBIT B, Part 1**

**LIMITED DURABLE POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that I, \_\_\_\_\_, presently residing in Williamsburg, Virginia, have constituted and appointed and by these presents do constitute and appoint \_\_\_\_\_ to serve as my agent and attorney-in-fact (hereinafter "attorney") under this durable general power of attorney. If the above named attorney resigns or becomes unable to serve hereunder, as certified by a licensed physician, I constitute and appoint \_\_\_\_\_ and \_\_\_\_\_, any one of whom may act alone without the joinder of the others, to serve as successor attorney (in which case all references herein to my attorney shall hereinafter jointly and severally refer to my successor attorney).

I hereby confer upon my attorney full and complete authority to exercise the following powers in my behalf: (a) to ask, demand, sue for, recover, and receive, of and from all corporations, associations, and persons whatsoever, all and every sum or sums of money due and owing, or that may become due and owing to me on any and every account, whether due or to become due, and give receipts for the same, or, at the discretion of my attorney, to compound or compromise for the same, and give discharges; (b) to sign any bond, deed, obligation, contract, or other paper; (c) to prepare, execute and file income and other tax returns of any nature on my behalf; (d) to recover and/or receive and endorse any federal and/or state tax refunds due me; (e) to endorse promissory notes, and the same to renew from time to time; (f) to draw upon any bank or banks or any corporations, associations, or individuals for any sum or sums of money that may be to my credit, or which I may be entitled to receive, as I might or could do; (g) to transfer assets to any inter vivos trust of which I am the grantor or a beneficiary; (h) to disclaim, in whole or in part, any gift, devise or legacy or any interest in any trust provided for my benefit under the will of any person or under any trust instrument at any time within the time prescribed by law; (i) to make gifts to any beneficiary designated in my will or to any member of my family, including my spouse, my children, my grandchildren, and the respective spouses of each, in an amount not to exceed the annual gift tax exclusion (or the total annual gift tax exclusions for joint gifts, if my spouse consents thereto), which gifts may be made outright or in trust, in such manner, as my attorney shall determine, as I might do for the purpose of reducing estate taxes payable with respect to my estate; (j) to sell any part or parts of my real or personal estate, or any interest which I may have in any real or personal estate, wheresoever situated, to make all necessary deeds and conveyances thereof, with all necessary covenants, warranties, and assurances, and to sign, seal, acknowledge, and deliver the same; and (k) to do all such other acts, matters, and things in relation to all or any part of or interest in my property, estate, affairs, or business, of any kind or description, in the Commonwealth of Virginia, or elsewhere, as I myself might or could do if acting personally. And I hereby ratify and confirm all lawful acts done by my said attorney by virtue hereof.

My attorney shall have the specific right of access to any and all safe-deposit boxes which I may have at banks or other institutions and my attorney shall further have access to any and all securities, including corporate stocks, bonds and all other securities and may buy or sell or otherwise deal in said securities in my behalf.

This Power of Attorney shall not terminate on the disability or subsequent incapacity or incompetence of the principal, \_\_\_\_\_ (*name of Resident*).

WITNESS the following signature and seal this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_(SEAL)  
Resident Signature

COMMONWEALTH OF VIRGINIA

AT LARGE

The foregoing instrument was acknowledged before me in \_\_\_\_\_, Virginia, this \_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_,  who is personally known to me or  who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_  
Notary Registration No.: \_\_\_\_\_  
[Affix Notarial Stamp]

**EXHIBIT B, Part 2**

**HIPAA AND VIRGINIA HEALTH RECORDS PRIVACY ACT RELEASE AUTHORITY**

I hereby appoint the following person as my personal representative and agent (my “Personal Representative”):

Name of Personal Representative: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

My Personal Representative is actively involved in my health care treatment and payment and has the authority to make medical decisions on my behalf. Accordingly, regardless of whether I have been determined incapable of making an informed decision:

(a) I intend for my Personal Representative to be treated as I would be with respect to my rights regarding the use and disclosure of ray individually identifiable health information or other medical records. This release authority applies to any information governed by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and/or the Virginia Health Records Privacy Act (VHRPA), or any successors thereto.

(b) I authorize any physician, health-care professional, dentist, hospital, clinic, laboratory, pharmacy or other covered health-care provider, any insurance company or health plan, the Medical Information Bureau Inc. or other health-care clearinghouse or any other person or entity that may be deemed a “covered entity” as defined by HIPAA and/or a “health care entity” or “health care provider” as defined by VHRPA that has provided treatment or services to me, or that has paid for, or is seeking payment from me for such services or is processing any payment or invoice for treatment or services provided to me, to give, disclose and release to my Personal Representative, without restriction, all of my individually identifiable health information and medical records regarding any past, present or future medical or mental health condition.

(c) The authority given my Personal Representative shall supersede any prior agreement that I may have made with my health-care providers to restrict access to or disclosure of my individually identifiable health information. The authority given my Personal Representative has no expiration date and shall expire only in the event that I revoke the authority in writing as hereinafter provided.

[Signature Page Follows]



*(You must sign below in the presence of two witnesses)*

AFFIRMATION AND RIGHT TO REVOKE: By signing below, I state that I am emotionally and mentally capable of making this advance directive and that I understand the purpose and effect of this document. I understand that I may revoke all or any part of this document at any time (i) with a signed, dated writing; (ii) by physical cancellation or destruction of this advance directive by myself or by directing someone else to destroy it in my presence; or (iii) by my oral expression of intent to revoke.

\_\_\_\_\_  
Signature of Declarant

\_\_\_\_\_  
Date

COMMONWEALTH OF VIRGINIA

AT LARGE

The foregoing instrument was acknowledged before me in \_\_\_\_\_, Virginia, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_,  who is personally known to me or  who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public

My Commission expires: \_\_\_\_\_  
Notary Registration No.: \_\_\_\_\_  
[Affix Notarial Stamp]

The Declarant signed the foregoing advance directive in my presence.

\_\_\_\_\_  
Witness #1

\_\_\_\_\_  
Witness #2

**Exhibit C to Amendment to Residency Agreement (Transfer)**

Initial Move-in Date: \_\_\_\_\_

Transfer Date: \_\_\_\_\_

Previous Entry Fee:	\$0.00
New Entry Fee:	<u>\$0.00</u> (20__ rate per Accounting Office)
Difference:	\$0.00
Modification Fee Refund (Previous):	\$0.00
Refurbishment Fee:	\$0.00
Modification/Upgrade Costs for new Residential Unit:	\$0.00
Legal & Accounting Fee:	<u>\$0.00</u>
Net amount due to (owed by) Resident:	\$0.00

\_\_\_\_\_ Refundable Entrance Fee of \$0.00 remains as is (\_\_% refundable).  
(Refundable portion \$0.00)

\_\_\_\_\_ Entrance Fee for new unit is less and a refund has been processed in  
the amount of \$0.00. New entrance fee of \$0.00 is \_\_% refundable.

\_\_\_\_\_ Modification Fee Refund has been processed in the amount of \$0.00.

**APPENDIX B7**

**FORM OF AMENDMENT TO RESIDENCY AGREEMENT  
TRANSFER FROM MEMORY SUPPORT HOME ASSISTED LIVING UNIT TO NURSING CENTER**

WILLIAMSBURG LANDING  
AMENDMENT TO RESIDENCY AGREEMENT  
(TRANSFER TO NURSING CENTER)

between

**Williamsburg Landing, Inc.**  
(the “Operator”)

and

\_\_\_\_\_  
(the “Resident”, whether one or more)

**Date of Original Residency Agreement:** \_\_\_\_\_

---

**THIS AMENDMENT TO RESIDENCY AGREEMENT (TRANSFER TO NURSING CENTER)** (“Amendment”) is made effective this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between Williamsburg Landing, Inc., a Virginia non-profit corporation (the “Operator”) and the person or persons listed above and identified as the “Resident,” whether one or more.

**RECITALS:**

A. The Operator operates “Williamsburg Landing,” a residential continuing care retirement community in James City County, Virginia, which community provides housing and certain services for its residents.

B. The Operator and Resident executed that Residency Agreement for Memory Support Assisted Living Unit, dated \_\_\_\_\_ (the “Residency Agreement”).

C. Pursuant to the Residency Agreement, Resident is permanently transferring to the Nursing Center, the Operator’s licensed nursing home within its Health and Rehabilitation Center.

D. The Operator and Resident desire to amend the Residency Agreement to reflect Resident’s move from a Memory Support Assisted Living Unit to the Nursing Center as hereinafter provided.

**AGREEMENT:**

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreement set forth herein and in the Residency Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms. Any capitalized terms contained within this Amendment and not defined herein shall have the meaning as assigned to such term in the Residency Agreement, unless the context clearly requires otherwise.
2. Transfer Date. Previously residing at \_\_\_\_\_ (the “Memory Support Assisted Living Unit”), Resident has moved, or is in the process of moving, to the Nursing Center in the Health and Rehabilitation Center with the date of transfer agreed to be \_\_\_\_\_, 20\_\_ (the “Transfer Date”).
3. Nursing Center. As of the Transfer Date, Resident shall have the privilege of occupying a room in the Nursing Center so long as Resident meets the terms and conditions of the Residency Agreement and this Amendment thereto and conforms to the policies and procedures of the Operator for the Nursing Center.
4. Medicare Benefits. If Resident receives services and supplies which are eligible for reimbursement under Medicare Part A, the Operator shall accept such reimbursement as payment in full for such services and supplies and Resident shall not be obligated to pay any additional amounts for such reimbursable services and supplies with the exception of any applicable copayments or coinsurance amounts associated with the payment from Medicare. In the event Medicare denies payment for any reimbursable services and supplies, Resident hereby agrees to pay for the services and supplies within ten (10) days of the receipt of the notice of denial. Resident acknowledges and agrees that if Resident is eligible for reimbursement under Medicare Part A and Resident opts for a private room which is not medically indicated, then Resident will be responsible for the difference in cost from a semi-private room to a private room. Resident acknowledges that Operator has made no representation with respect to financial assistance and/or availability of state or federal subsidies.
5. Responsible Party. Resident’s Responsible Party (also referred to as Resident’s Agent) is any person legally responsible for the Resident, which shall include, without limitation, a guardian, a person holding a durable power of attorney, a committee, a conservator, or any person appointed by Resident or a court of competent jurisdiction to act as his/her Responsible Party. The Responsible Party must execute the Resident’s Responsible Party Verification and Agreement, which is attached hereto and made a part hereof as **EXHIBIT A**. The Operator will communicate and consult with the Responsible Party in all matters pertaining to the Resident’s care and well-being, including notification of changes in the Resident’s condition and financial status. The Operator will not be responsible for communication to any family members other than the Responsible Party. In the event discharge is required under any provision of this Agreement, the Responsible Party agrees to cooperate and assist the Operator in making the necessary arrangements for discharge or transfer.

6. Operator Responsibilities.

A. The Operator agrees to provide, in accordance with the attending physician's orders, room, board, linens, nursing care, and such other licensed nursing facility services as may be required for the health, safety, and well-being of Resident.

B. The Operator cannot and does not guarantee the medical welfare of Resident or the availability of medical services. Resident is solely responsible for obtaining his/her own personal attending physician. The Operator will assist Resident to the extent necessary in obtaining a personal physician, but the Operator shall not be liable for any acts or omissions of such physician or for following the instructions of said physician. Resident hereby consents to any treatments or services rendered at the Nursing Center by the Operator pursuant to the instructions of the attending physician.

C. The Operator shall arrange for Resident's transfer to the hospital of the Resident's choice, provided such hospital has a bed available for the Resident, when ordered by the attending physician, with immediate notification to the Responsible Party.

D. The Operator may refuse to admit or retain any Resident who poses a threat to the safety, health and/or welfare of other Residents and/or staff or who requires greater care than the Nursing Center can provide.

E. The Operator and/or its employees shall not be held responsible for the loss, destruction, or theft of personal belongings, valuables, or money left with Resident. All personal items of Resident shall be clearly marked with Resident's name and related identification.

F. The Operator shall exercise reasonable care regarding Resident's known medical condition. The Operator, however, does not assume any liability beyond the duty of reasonable care for Resident's health, safety, and welfare.

G. The Operator reserves the right to determine room assignment or Resident placement, and to make changes in room assignments in accordance with state and federal notice requirements when necessary. However, the Operator will honor the requests of the Resident whenever possible.

H. To the extent not set by physician order or state or federal law, the Operator shall determine the food menu, service time, and visiting hours and may establish other rules and regulations to ensure the safety, health, welfare, and enjoyment of the Nursing Center services by all residents.

7. Resident Duties: Resident and the Responsible Party also agree:

A. To bring in and maintain personal clothing and personal care supplies as needed or desired by Resident and as required by the Operator.

B. To give the Operator twenty-four (24) hours advance notice of Resident's desire to make a home visit. The Operator will provide Resident with the medication needed while on leave. Resident further agrees to sign out of the Nursing Center for all departures from Nursing Center and its grounds.

C. To indemnify and hold the Operator harmless from any claims or losses resulting from any injury or damage that Resident may incur or cause while outside the physical confines of the Nursing Center.

D. To visits by a physician of his/her choice upon admission and at regular intervals thereafter.

E. To visits by the Nursing Center's Medical Director or other physician/physician designee when necessary, if Resident's physician is unavailable.

F. To the Operator's choice of transportation to the Responsible Party's home or other destination following discharge of Resident for any reason.

G. To follow the Operator's rules, policies and procedures for the Nursing Center as established from time to time which shall be provided to Resident upon admission.

8. Entrance Fee. The Entrance Fee calculation of the refund or additional amount due shall continue to be as provided for in the Residency Agreement, which calculation as of the Transfer Date is shown on the attached **Exhibit B.**

9. Fees. Upon Resident's permanent transfer to the Nursing Center as of the Transfer Date, the Monthly Service Fee for single or double occupancy of the Memory Support Assisted Living Unit (as appropriate) will cease or be adjusted as provided in the Residency Agreement. However, failure to remove all personal property from the vacated unit within the required time as set forth in the Residency Agreement will result in reinstatement of Monthly Service Fees until all personal property is removed from the prior Memory Support Assisted Living Unit.

10. Termination. The parties acknowledge and agree that all terms and provisions related to the termination of the Residency Agreement by Resident or the Operator and the refund of the Entrance Fee upon termination shall continue to be governed by the Residency Agreement, including those provisions that describe the actions, circumstances or conditions that may result in Resident's discharge from the Nursing Center; provided, however, notice of termination is only required to be given at least thirty (30) days prior to the date on which Resident desires to terminate the Residency Agreement. In accordance with the foregoing, all references to one hundred twenty (120) days or forty five (45) days in subsection VI.A. of the Residency Agreement are hereby changed to thirty (30) days with respect to the Resident who has transferred to the Nursing Center.

11. Rules, Policies and Procedures. The Operator reserves the right to adopt such reasonable rules, policies and procedures for the operation of the Nursing Center at Williamsburg Landing, in its sole discretion, as it determines necessary and to amend such rules, policies and procedures

from time to time as the Operator may deem necessary, including rules, policies and procedures specifically applicable to the Nursing Center ("Policies and Procedures"). A copy of the current Policies and Procedures is provided in the Resident's Handbook which is part of the admissions packet and, by signing this Amendment, Resident acknowledges that Resident has received a copy of the Resident's Handbook and has had the opportunity to listen to, read, and ask any questions about the Policies and Procedures. Resident hereby agrees to abide by such Policies and Procedures, as in effect from time to time.

12. Resident Medication Policy. Any unauthorized use by residents of prescriptions or over-the-counter drugs such as aspirin, topical ointment, etc., is strictly prohibited. However, if the interdisciplinary care plan team, in consultation with Resident, determines that self-administration of drugs is safe, Resident may self-administer drugs in accordance with instructions from Resident's attending physician or the Nursing Center Medical Director. In this case, medication must be kept either in the medication cart or locked in a container at Resident's bedside.

13. Resident Rights Policy. Resident shall receive a copy of the Health and Rehabilitation Center Resident Rights policy upon admission to the Nursing Center. By signing this Agreement, Resident acknowledges that Resident has received the Resident Rights policy and has had the opportunity to listen to, read, and ask any questions about the Resident Rights policy. Resident further acknowledges that the Operator has the right to revise and amend its Resident Rights policy from time to time so that it is at all times in compliance with all applicable federal and state statutes, rules and policies. The Operator agrees that Resident will be informed and provided a copy of all revisions or amendments to the Resident Rights policy.

14. Alterations, Additions, Use and Condition. Resident shall make no structural alteration, modification or additions or physical changes of any type to Resident's room in the Nursing Center without the prior written consent of the Operator. Resident shall be fully liable for all costs of restoration in the event that any alteration, modification, addition or change is made without the prior written approval of the Operator. Title to all such alterations, modifications, additions and changes to Resident's room in the Nursing Center shall immediately vest in the Operator and remain the property of the Operator.

15. Effect of this Amendment. By executing this Amendment, Resident agrees that Resident remains bound by the terms of the Residency Agreement, as modified and supplemented by this Amendment. The Residency Agreement is hereby ratified and confirmed as hereby amended. In the event of a conflict in the terms of the Residency Agreement and this Amendment, this Amendment shall take precedence over the Residency Agreement.

16. Miscellaneous.

A. Assignability. This Amendment shall not be assigned by Resident, either in whole or in part. The Operator may, without notice, assign this Amendment in whole or in part.



B. Binding Effect. This Amendment and all rights and obligations hereunder shall be binding upon and inure to the benefit of the parties and their respective heirs, assigns, and personal representatives.

C. Gender and Plurality. The masculine pronoun, when used herein, shall include the feminine, and the singular shall include the plural, and vice versa.

D. Governing Law. This Amendment shall be construed and interpreted according to the laws of the Commonwealth of Virginia.

E. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together will constitute one and the same instrument. Signatures may be by facsimile or other electronic means and shall be given the same effect as original signatures.

*[SIGNATURES APPEAR ON THE FOLLOWING PAGE]*

IN WITNESS WHEREOF, the Operator has executed this Amendment, by its duly authorized representative, and the Resident has executed this Amendment, in his or her own name, all as of the date first above written.

**OPERATOR:**

**WILLIAMSBURG LANDING, INC.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**RESIDENT:**

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Acting: (mark one)

Under Power of Attorney

As Conservator and Guardian under Court Order

Address of Agent:

\_\_\_\_\_

\_\_\_\_\_

## EXHIBIT A

### **RESIDENT'S RESPONSIBLE PARTY VERIFICATION AND AGREEMENT**

1. The undersigned has been appointed through court order as the guardian and/or conservator or is the holder of a power of attorney, or is otherwise appointed to act as a Responsible Party on behalf of Resident. The undersigned has delivered to the Operator on the date hereof copies of the necessary legal documents designating the undersigned as the guardian and/or conservator and/or holder of a power of attorney of Resident, as applicable. The undersigned hereby agrees as follows:

- (a) To utilize the funds of Resident (i) to pay all costs and expenses incurred by Resident owing to the Operator and (ii) to arrange for the provision of personal clothing and care supplies as needed, as desired by Resident, or as otherwise required by the Operator.
- (b) To give the Operator twenty-four (24) hours advance notice of Resident's desire to make a home visit. The Operator will provide Resident with proper medication needed while on leave, not to exceed dosages necessary for three (3) days. The undersigned further agrees to sign Resident out of the Nursing Center.
- (c) To indemnify and hold the Operator harmless from any claims, losses or damages, resulting from any injury or damage that Resident may incur or cause while on a home visit.

2. The Operator will communicate and consult with the Responsible Party in all matters pertaining to Resident's care and well-being, including notification of changes in the Resident's medical condition or financial condition.

3. The Operator will not be responsible for communications to any family members or other persons other than the Responsible Party.

4. In the event Discharge is required under any provision of the Residency Agreement and/or Amendment, the Responsible Party agrees to cooperate and assist the Operator in making the necessary arrangements for discharge or transfer, which may include accepting Resident in his/her home if no other satisfactory arrangements have been agreed to by Resident and the Operator.

5. In the event that Resident, as certified by the attending physician, is or becomes incapable of understanding his/her rights and responsibilities under the Residency Agreement and Amendment, or is otherwise incapable of managing Resident's affairs, all such rights and responsibilities shall devolve to the Responsible Party in accordance with applicable law.

6. The Responsible Party acknowledges that he/she is aware of the complaint procedure to be used if there is a concern with the service of any Nursing Center department or Operator employee. The Responsible Party shall direct any complaints to the Director of Nursing or the Administrator.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written below.

\_\_\_\_\_  
Operator Representative Signature

\_\_\_\_\_  
Responsible Party Signature

\_\_\_\_\_  
Operator Representative Printed Name

\_\_\_\_\_  
Responsible Party Printed Name

\_\_\_\_\_  
Operator Representative Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Home Phone: \_\_\_\_\_

Business Phone: \_\_\_\_\_

**Exhibit B to Amendment to Residency Agreement (Transfer)**

Initial Move-in Date: \_\_\_\_\_

Transfer Date: \_\_\_\_\_

Previous Entry Fee:	\$0.00
New Entry Fee:	<u>\$0.00</u> (20__ rate per Accounting Office)
Difference:	\$0.00
Modification Fee Refund (Previous):	\$0.00
Refurbishment Fee:	\$0.00
Modification/Upgrade Costs for new Residential Unit:	\$0.00
Legal & Accounting Fee:	<u>\$0.00</u>
Net amount due to (owed by) Resident:	\$0.00

\_\_\_\_\_ Refundable Entrance Fee of \$0.00 remains as is (\_\_% refundable).  
(Refundable portion \$0.00)

\_\_\_\_\_ Entrance Fee for new unit is less and a refund has been processed in  
the amount of \$0.00. New entrance fee of \$0.00 is \_\_% refundable.

\_\_\_\_\_ Modification Fee Refund has been processed in the amount of \$0.00.

**APPENDIX C**

**AUDITED FINANCIAL STATEMENTS**

**WILLIAMSBURG LANDING, INC. AND AFFILIATES  
(A NONPROFIT CORPORATION)**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**WILLIAMSBURG LANDING, INC. AND AFFILIATES  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Williamsburg Landing, Inc. and Affiliates  
Williamsburg, Virginia

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Williamsburg Landing, Inc. and Affiliates (collectively the Community), which comprise the consolidated balance sheet as of December 31, 2021, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Community as of December 31, 2021, and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and with the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Community and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Community's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Community's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors  
Williamsburg Landing, Inc. and Affiliates

**Other Matter**

The 2020 consolidated financial statements were audited by other auditors, whose report dated April 26, 2021, expressed an unmodified opinion on those statements.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 36-38 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, on our consideration of Williamsburg Landing, Inc. and Affiliates internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, see pages 39-40. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Community's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Community's internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
REPORT DATE

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2021 AND 2020**

<b>ASSETS</b>	2021	2020
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4,553,256	\$ 6,652,583
Accounts Receivable	442,754	510,011
Other Receivables	550,102	176,651
Supplies Inventory	273,020	248,284
Current Portion of Assets Limited as to Use	1,665,600	-
Prepaid Expenses and Other	907,876	732,119
Total Current Assets	8,392,608	8,319,648
<b>ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION</b>	22,520,915	17,202,992
<b>INVESTMENTS</b>	29,088,619	20,937,315
<b>PROPERTY AND EQUIPMENT, NET</b>	128,214,602	132,069,381
<b>OTHER ASSETS</b>		
Investment in Joint Venture	184,314	174,600
Pledges Receivable	365,450	580,450
Total Other Assets	549,764	755,050
Total Assets	\$ 188,766,508	\$ 179,284,386

*See accompanying Notes to Consolidated Financial Statements.*

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED BALANCE SHEETS (CONTINUED)**  
**DECEMBER 31, 2021 AND 2020**

<b>LIABILITIES AND DEFICIENCY IN NET ASSETS</b>	2021	2020
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 1,540,272	\$ 861,914
Current Portion of Long-Term Debt	2,369,982	5,812,255
Refundable Reservation Deposits	508,000	458,000
Advance Fee Deposits	1,456,000	1,332,999
Current Portion of Refundable Advance Fees	9,085,000	5,200,000
Accrued Liabilities and Other:		
Accrued Salaries and Wages	1,000,189	931,877
Accrued Annual Leave	757,670	926,422
Accrued Interest	293,521	321,992
Total Current Liabilities	17,010,634	15,845,459
<b>LONG-TERM DEBT, NET OF CURRENT PORTION</b>	104,875,609	100,259,943
<b>LIABILITIES UNDER INTEREST RATE SWAP AGREEMENTS</b>	-	1,649,058
<b>OTHER LONG-TERM LIABILITIES</b>		
Continuing Care Deposits	11,860,171	11,389,581
Deferred Revenue from Advance Fees	43,927,353	41,940,124
Refundable Advance Fees, Net of Current Portion	59,501,610	63,276,186
Gift Annuity Payment Liability	94,187	104,499
Total Other Long-Term Liabilities	115,383,321	116,710,390
<b>Total Liabilities</b>	237,269,564	234,464,850
<b>NET ASSETS (DEFICIT)</b>		
Without Donor Restrictions	(50,460,419)	(57,249,205)
With Donor Restrictions	1,957,363	2,068,741
Total Deficiency in Net Assets	(48,503,056)	(55,180,464)
<b>Total Liabilities and Deficiency in Net Assets</b>	\$ 188,766,508	\$ 179,284,386

See accompanying Notes to Consolidated Financial Statements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Residential and Health Care Services Revenue	\$ 32,074,679	\$ 33,927,044
Investment Income	1,246,894	799,391
Amortization of Entrance Fees	5,756,441	5,080,045
Other	1,403,365	1,162,152
Grant Revenue	-	1,062,119
Contribution Revenue	1,105,887	-
Total Revenues, Gains, and Other Support	41,587,266	42,030,751
<b>EXPENSES</b>		
Skilled Nursing Facility	4,360,062	5,192,246
Assisted Living	2,071,623	2,003,606
Home Care Services	-	1,332,029
Other Services	2,126,550	1,767,588
General and Administrative	4,056,664	4,925,483
Facilities, Grounds, and Security	3,532,393	3,592,784
Marketing and Development	1,029,806	1,037,059
Environmental Services and Materials Management	1,718,896	1,716,582
Culinary Services	5,818,134	5,396,253
Fitness Center	1,405,613	1,249,391
Utilities	855,920	828,764
Property Taxes	1,034,021	1,004,051
Benevolence	180,925	193,107
Depreciation	8,589,735	8,490,162
Interest and Amortization	3,020,344	3,385,227
Total Expenses	39,800,686	42,114,332
<b>OPERATING INCOME (LOSS)</b>	1,786,580	(83,581)
<b>NONOPERATING GAINS (LOSSES)</b>		
Unrealized Gains on Investments	1,860,362	2,771,377
Change in Value of Interest Rate Swap Agreements	356,071	(1,136,101)
Loss on the Extinguishment of Debt	(1,104,007)	-
Gain on Forgiveness of Debt	3,412,457	-
Other Gains	295,930	-
Gain on Investment in Joint Venture	9,714	7,600
Total Nonoperating Gains (Losses)	4,830,527	1,642,876
<b>EXCESS OF REVENUE OVER EXPENSES</b>	6,617,107	1,559,295
<b>OTHER CHANGES IN NET ASSETS WITHOUT RESTRICTIONS</b>		
Net Assets Released from Restrictions for Capital Expenditures	171,679	2,065
<b>INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	\$ 6,788,786	\$ 1,561,360

See accompanying Notes to Consolidated Financial Statements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Excess of Revenue Over Expenses	\$ 6,617,107	\$ 1,559,295
Net Assets Released from Restrictions for Capital Expenditures	171,679	2,065
Increase in Net Assets without Donor Restrictions	6,788,786	1,561,360
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Gifts, Grants, and Bequests	299,587	317,965
Interest Income	43,465	6,360
Change in Value of Charitable Gift Annuities	7,622	6,668
Payments on Charitable Gift Annuities	(40,885)	-
Net Assets Released from Restrictions for Operations	(249,488)	(338,667)
Net Assets Released from Restrictions for Capital Expenditures	(171,679)	(2,065)
Decrease in Net Assets with Donor Restrictions	(111,378)	(9,739)
<b>CHANGE IN NET ASSETS (DEFICIT)</b>	6,677,408	1,551,621
Net Assets (Deficit) - Beginning of Year	(55,180,464)	(56,732,085)
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	\$ (48,503,056)	\$ (55,180,464)

See accompanying Notes to Consolidated Financial Statements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 6,677,408	\$ 1,551,621
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Amortization of Deferred Revenue from Advance Fees	(5,756,441)	(5,080,045)
Amortization of Deferred Financing Costs	103,212	114,551
Amortization of Bond Premium	(60,090)	-
Change in the Fair Value of Interest Rate Swap Agreements	356,071	872,710
Provision for Bad Debts	54,842	109,120
Gain on Forgiveness of Debt	(3,412,457)	-
Loss on the Extinguishment of Debt	1,104,007	-
Proceeds from Nonrefundable Advance Fees and Deposits	7,987,359	7,475,411
Change in Continuing Care Plan Deposits	(112,796)	1,234,302
Depreciation	8,589,735	8,490,162
Unrealized Gains on Investments	(1,860,362)	(2,771,377)
Realized Gains on Investments	(660,624)	(326,100)
Restricted Contributions	(299,587)	(317,965)
Loss (Gain) on Disposal of Property and Equipment	(71,680)	843
Changes in Operating Assets and Liabilities:		
Accounts Receivable	12,415	195,025
Other Receivables	(373,451)	66,131
Supplies Inventory	(24,736)	(11,177)
Prepaid Expenses and Other Assets	29,529	(262,043)
Accounts Payable	579,473	(1,044,051)
Accrued Salaries and Wages	68,312	46,123
Accrued Annual Leave	(168,752)	42,296
Refundable Reservation Deposits	643,591	(3,953,462)
Accrued Interest	(28,471)	(4,667)
Net Cash Provided by Operating Activities	13,376,507	6,427,408
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(4,641,742)	(4,082,981)
Purchases of Investments	(6,260,155)	(3,527,088)
Proceeds from Sale of Investments	629,837	4,064,678
Proceeds from Sale of Property and Equipment	77,351	-
Net Change in Assets Limited as to Use	(513,440)	(1,255,630)
Net Cash Used by Investing Activities	(10,708,149)	(4,801,021)

See accompanying Notes to Consolidated Financial Statements.



**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Refundable Advance Fees	6,326,949	4,563,056
Refunds of Advance Fees	(6,347,418)	(6,141,808)
Principal Payment on Long-Term debt	(3,309,281)	(5,455,654)
Net Proceeds from Issuance of Debt	6,748,002	-
Proceeds from Paycheck Protection Program	-	3,412,457
Payment of Financing Costs	-	(2,115)
Payment on Termination of Swap Agreement	(2,005,129)	-
Purchase of Charitable Gift Annuities, Net	(10,312)	(7,562)
Restricted Contributions	299,587	317,965
Net Cash Provided (Used) by Financing Activities	<u>1,702,398</u>	<u>(3,313,661)</u>

**NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS,  
AND RESTRICTED CASH**

4,370,756	(1,687,274)
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Cash, Cash Equivalents, and Restricted Cash - Beginning of Year

<u>8,245,067</u>	<u>9,932,341</u>
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**CASH, CASH EQUIVALENTS, AND RESTRICTED CASH -  
END OF YEAR**

<u>\$ 12,615,823</u>	<u>\$ 8,245,067</u>
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**CLASSIFICATION OF CASH, CASH EQUIVALENTS,  
AND RESTRICTED CASH**

	<u>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 4,553,256	\$ 6,652,583
Restricted Cash and Cash Equivalents Included in Assets Limited as to Use	8,062,567	1,592,484
Total Cash, Cash Equivalents, and Restricted Cash	<u>\$ 12,615,823</u>	<u>\$ 8,245,067</u>

**SUPPLEMENTAL CASH FLOW INFORMATION**

Cash Paid for Interest - Net of Interest Capitalized	<u>\$ 2,380,402</u>	<u>\$ 3,144,490</u>
Issuance of Long-Term Debt	\$ 71,330,000	\$ -
Early Extinguishment of Debt	(70,030,000)	-
Issuance of Bond Premium	7,210,815	-
Payment of Penalties for Prepayment of Debt	(361,420)	-
Payment of Deferred Financing Costs	(1,401,393)	-
Net Proceeds from Issuance of Debt	<u>\$ 6,748,002</u>	<u>\$ -</u>
Property Additions Financed through Accounts Payable	<u>\$ 98,885</u>	<u>\$ -</u>

See accompanying Notes to Consolidated Financial Statements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Business**

Williamsburg Landing, Inc. was incorporated on September 23, 1982 as a not-for-profit, nonstock corporation under the laws of the Commonwealth of Virginia. Williamsburg Landing, Inc. is a continuing care retirement community located in James City County, Virginia that contains 321 residential units, 73 assisted living units, 24 special care (dementia) units, and a 73-bed skilled nursing center that provides living accommodations and certain health care services to its residents.

Williamsburg Landing, Inc. operates under the concept in which residents enter into a residency agreement that generally requires payment of a one-time advance fee and monthly service fees. Generally, these payments entitle residents to the use and privileges of the Community for life, including the right to occupy designated residential units and to receive certain health care services. The residency agreement does not entitle the residents to an interest in the real estate and other property owned by Williamsburg Landing, Inc.

On May 27, 2010, Williamsburg Landing, Inc. became the sole member of Birchwood Land, LLC (Birchwood). Birchwood is a limited liability company under the laws of the Commonwealth of Virginia that purchases and leases residential property adjacent to Williamsburg Landing, Inc. As a result, Birchwood has been consolidated for presentation purposes.

On March 24, 2015, Williamsburg Landing, Inc. became the sole member of Williamsburg Landing Home Health, LLC (Williamsburg Landing Home Health). Williamsburg Landing Home Health was formed in 2015 as a limited liability company under the laws of the Commonwealth of Virginia, organized for the purpose of providing home health care services for residents of Williamsburg Landing, Inc. and the greater community. As a result, Williamsburg Landing Home Health was consolidated for presentation purposes. During 2020, Williamsburg Landing Home Health was closed and ceased operations.

**Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of Williamsburg Landing, Inc.; Birchwood; and Williamsburg Landing Home Health. Collectively, they are referred to as the "Community". All significant intercompany transactions and balances have been eliminated in consolidation.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

The Community considers all highly liquid investments with a maturity of three months when purchased or less to be cash equivalents.

**Accounts Receivable**

Accounts receivable for residents, insurance companies, and governmental agencies are based on net charges. An allowance for uncollectible accounts is established using management's judgment. Residents are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submitted. Accounts past due are individually analyzed for collectability. In addition, an allowance is estimated for other accounts based on the historical experience of the Community. At December 31, 2021 and 2020, the allowance for uncollectible accounts was approximately \$73,000 and \$118,000, respectively. Uncollectible amounts are written off against the allowance for doubtful accounts in the period they are determined to be uncollectible.

Approximately 50% and 37% of the Community's receivables were composed of amounts due from Medicare as of December 31, 2021 and 2020, respectively. Approximately 34% and 39% of the Community's receivables were composed of amounts due from private payors as of December 31, 2021 and 2020, respectively. Approximately 6% and 12% of the Community's receivables were composed of amounts due from Medicaid as of December 31, 2021 and 2020, respectively.

The Community makes an initial and ongoing evaluation of a resident's creditworthiness or obtains third-party verification of payment coverage and, as such, considers the credit risks it assumes and any billed amounts not expected to be collected from residents or third parties for services rendered represent bad debt expense.

**Investments and Assets Limited as to Use**

Investments and assets limited as to use are recorded at fair value. The fair values of debt securities and other investments are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Realized gains and losses are reported as with or without donor-restricted gains and losses, as appropriate. The cost of securities sold is based on the average cost method. Assets limited as to use represent funds either internally designated by the board of directors or externally restricted for use by third parties or donors.

**Property and Equipment**

Property and equipment are reported on the basis of cost. Donated items are recorded at fair market value at the date of contribution. The Community capitalizes all assets over \$2,500 with a useful life greater than five years.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The general range of useful lives estimated for land improvements is 5 to 25 years; buildings and building improvements is 10 to 40 years; capitalized interest is 40 years; and furniture, fixtures, and equipment is 3 to 25 years.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment in Joint Venture**

During 2014, the Community entered into an agreement to become a member of At Home Partners, LLC. At Home Partners, LLC provides clinical, managerial, and administrative support services for the operations of the community-based continuing care program known as ChooseHome. The agreement is structured as a joint venture arrangement in which the Community became a 20% member following an initial capital contribution of \$200,000. The arrangement is accounted for by the Community under the equity method of accounting. The current year activity is shown as a gain on investment in joint venture in the accompanying consolidated statements of operations and changes in net assets as a nonoperating activity.

**Deferred Financing Costs**

Financing costs incurred in connection with the issuance of long-term debt are deferred and amortized using the effective interest method over the term of the related debt.

**Pledges Receivable**

Pledges receivable are unconditional promises to give and consist of pledges from current residents of the Community for amounts equal to the refundable portion of their entrance fee. Pledges are recorded as other long-term assets in the accompanying consolidated financial statements. All pledges are expected to be collected within the next five years; management believes all pledges are fully collectible and, therefore, has not assigned an allowance for uncollectible pledges.

**Advance Fees**

Non-refundable fees paid by a resident upon entering into a continuing care contract are recorded as deferred revenue and are amortized into income using the straight-line method over the estimated remaining life expectancy of the resident. The refundable portion of fees paid by a resident upon entering into a continuing care contract is recorded as a refundable advance fee liability.

**Interest Rate Swap Agreements**

Interest rate swap agreements are recognized as assets or liabilities at fair value. Realized gains and losses related to monthly net settlements on interest rate swaps and unrealized changes in the fair value of the interest rate swaps are reported as a change in value on interest rate agreements in the consolidated statements of operations. All interest rate swaps owned by the Community were terminated during the year ended December 31, 2021.

**Net Assets with Donor Restrictions**

Net assets with donor restrictions are net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Community or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Uniform Prudent Management of Institutional Funds Act**

During 2008, the Uniform Prudent Management of Institutional Funds Act became effective in the state of Virginia. In August 2008, the Financial Accounting Standards Board released the nonprofit accounting standard for reporting donor-restricted endowment funds, which was intended to improve the quality and consistency of financial reporting for endowments held by nonprofit organizations. The Community has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments.

**Contribution and Grant Revenue**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. Revenue received for grants is considered a nonexchange transaction and is recognized as the conditions of the grants have been met. Grant funding received in advance of conditions being met is recorded as deferred revenue. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of changes in net assets as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions. Contributions are recognized when the donor makes a promise to give to the Community that is, in substance, unconditional.

**Income Taxes**

Williamsburg Landing, Inc. is a nonprofit organization exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Williamsburg Landing, Inc. files as a tax-exempt organization. Williamsburg Landing, Birchwood, and Home Health before ceasing operations, are single-member limited liability companies solely owned by Williamsburg Landing, Inc. and are considered disregarded entities for tax purposes. Management is not aware of any activities that would jeopardize the tax-exempt status of any of the entities. Management is not aware of any significant activities that are subject to tax on unrelated business income or excise or other taxes for Williamsburg Landing, Inc.

Williamsburg Landing, Inc. follows guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The guidance has had no impact on the Community's consolidated financial statements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Professional Liability Insurance**

The Community's professional liability insurance coverage is on a claims-made basis.

**Excess of Revenue Over Expenses**

Excess of revenue over expenses reports the results of operations of the Community. In addition to resident care and service operations, excess of revenue over expenses includes investment income, realized and unrealized losses on investments, and other items. Changes in net assets without donor restrictions, which are excluded from revenue over expenses, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purpose of acquiring such assets).

**Risks and Uncertainties**

The Community holds investments in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will continue to occur in the near term and that such changes could materially affect the Community's investment balances and the amounts reported in its consolidated balance sheets.

**Subsequent Events**

In preparing these consolidated financial statements, the Community has evaluated events and transactions for potential recognition or disclosure through REPORT DATE, the date the consolidated financial statements were issued.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 2 RESIDENTIAL AND HEALTH CARE SERVICES REVENUE**

Residential and Health Care Services revenue is reported at the amount that reflects the consideration to which the Community expects to be entitled in exchange for providing resident care. These amounts are due from residents, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Community bills the residents and third-party payors several days after the services are performed. Service fees paid by residents for maintenance, meals, and other services are assessed monthly and are recognized as revenue in the period services are rendered. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Community. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Community believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facilities receiving skilled nursing services or housing residents receiving services in the facilities. The Community considers daily services provided to residents of the skilled nursing facilities and monthly rental for housing services as a separate performance obligation and measures this on a monthly basis, or upon move-out within the month, whichever is shorter.

Nonrefundable advance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Revenue from nonrefundable advance fees is recognized ratably in future periods covering a resident's life expectancy using a time-based measurement similar to the output method. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our residents and customers in a retail setting (for example, gift shop and cafeteria meals) and the Community does not believe it is required to provide additional goods or services related to that sale.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Community has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Community determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Community's policy, and/or implicit price concessions provided to residents. The Community determines its estimates of contractual adjustments based on contractual agreements, its policy, and historical experience. The Community determines its estimate of implicit price concessions based on its historical collection experience.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 2 RESIDENTIAL AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare and Medicaid

The Community's licensed nursing facility participates in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare reimbursement system effective October 1, 2019. Under PDPM, therapy minutes are removed as the primary basis for payment and instead the underlying complexity and clinical needs of a patient is used as a basis for reimbursement. In addition, PDPM introduces variable adjustment factors that change reimbursement rates during the resident's length of stay. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

The Community's licensed nursing facility participates in the Medicaid program which is administered by Virginia's Department of Medical Assistance Services (DMAS). DMAS uses a price-based payment system to reimburse providers, which was weighted for each claim based on the Resource Utilization Group (RUG) score listed on each claim. Each year DMAS publishes a priced-based total case mix rate and a total indirect rate, both of which make up the bulk of the base payment rate for each provider. The total case mix rate and the total indirect rate are determined by a preassigned peer group of geographically similar regions within Virginia. The price-based rate was weighted for the severity of care of the documented RUG listed for each claim. Effective October 1, 2019, new PDPM HIPPS codes replaced RUG scores listed on each claim for determining reimbursement amounts. Annual Medicaid cost reports are required by the state of Virginia, however, they are not used to settle the costs of claims. Instead, the cost reports are used in the development of price-based rates and to monitor the adequacy of the reimbursement methodology.

Other

Payment agreements with certain commercial insurance carriers provide for payment using prospectively determined daily rates.



**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 2 RESIDENTIAL AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Community's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2021 or 2020.

Generally residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Community estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions.

Subsequent charges to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change.

Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended December 31, 2021 and 2020. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense.

The Community has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized.

The composition of residential and health care services revenue by primary payor for the years ended December 31, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Private	\$ 30,685,636	\$ 30,983,754
Medicare	2,395,035	3,771,893
Medicaid	397,373	333,549
Total	<u>\$ 33,478,044</u>	<u>\$ 35,089,196</u>

Revenue from resident's deductibles and coinsurance are included in the categories presented above based on the primary payor.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 2 RESIDENTIAL AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

The composition of residential and health care services revenue based on the Community's lines of business and method of reimbursement for the years ended December 31, 2021 and 2020 are as follows:

	2021	2020
Skilled Nursing	\$ 6,162,594	\$ 7,806,470
Assisted Living	7,830,238	7,784,349
Independent Living	19,089,647	18,327,175
Adult Day	351,065	133,230
Rental Income	44,500	42,133
Home Health	-	995,839
Total	\$ 33,478,044	\$ 35,089,196
	2021	2020
Monthly Service Fees	26,964,385	26,153,657
Fee For Service	6,513,659	8,935,539
Total	\$ 33,478,044	\$ 35,089,196

**Financing Component**

The Community has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from residents for the effects of a significant financing component due to its expectation that the period between the time the service is provided to a resident and the time that the resident pays for that service will be one year or less. However, The Community does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

The opening and closing contract balances were as follows:

	Accounts Receivable	Deferred Revenue From Advance Fees	Refundable Advance Fees
Balance as of January 1, 2020	\$ 814,156	\$ 39,715,090	\$ 69,884,606
Balance as of December 31, 2020	510,011	41,940,124	68,476,186
Balance as of December 31, 2021	442,754	43,927,353	68,586,610

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 3 COVID-19**

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Community, COVID-19 may impact various parts of its 2022 operations and financial results including but not limited to additional costs for emergency preparedness, disease control, and containment, potential shortages of healthcare personnel, or loss of revenue due to reductions in certain revenue streams. Management believes the Community is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2021.

**Provider Relief Funds**

In response to the Coronavirus pandemic, the U.S. Department of Health and Human Services (HHS) made available emergency relief grant funds to health care providers through the CARES Act Provider Relief Fund (PRF). Total grant funds approved and received by the Community as of December 31, 2021 was \$1,062,119. The PRF's are subject to certain restrictions on eligible expenses or uses and reporting requirements. At December 31, 2020, the community recognized \$1,062,119 as grant revenue in the consolidated statement of operations. No additional funding was received during the year ended December 31, 2021. Management believes the amounts have been recognized appropriately as of December 31, 2021 and 2020.

**Paycheck Protection Program Loan**

During the year ended December 31, 2020, the Community received loan proceeds in the amount of \$3,412,457 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program ("the PPP Loan"). The PPP loan may be forgiven by the U.S. Small Business Administration (SBA) subject to certain performance barriers, as outlined in the loan agreement and the Coronavirus Aid, Relief, and Economic Security (CARES) Act. During the year ended December 31, 2021, the SBA granted forgiveness on the entire PPP Loan, and the revenue was recognized by the Community and shown as Gain on Forgiveness of Debt in the Consolidated Statement of Operations.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 4 INVESTMENTS AND ASSETS LIMITED AS TO USE**

Investments stated at fair value are summarized as follows at December 31 :

	<u>2021</u>	<u>2020</u>
Mutual Funds	<u>\$ 29,088,619</u>	<u>\$ 20,937,315</u>

Assets limited as to use stated at fair value are summarized as follows at December 31:

	<u>2021</u>	<u>2020</u>
Restricted under Residency Agreements:		
Cash and Cash Equivalents	\$ 1,478,580	\$ 1,373,034
Restricted by Donors:		
Cash and Cash Equivalents	436,810	219,450
Restricted under Continuing Care Plan Agreement:		
Cash and Cash Equivalents	163,239	375,189
Mutual Funds	11,696,933	11,014,393
Total	<u>13,775,562</u>	<u>12,982,066</u>
Restricted under Bond Agreement:		
Cash and Cash Equivalents	5,983,938	-
Restricted for Resident Care:		
Mutual Funds	4,095,193	3,882,522
Restricted under Charitable Gift Annuities:		
Fixed Income	331,822	327,106
Money Market Funds	-	4,827
	<u>331,822</u>	<u>331,933</u>
Other	<u>-</u>	<u>6,471</u>
Total	<u>\$ 24,186,515</u>	<u>\$ 17,202,992</u>

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 4 INVESTMENTS AND ASSETS LIMITED AS TO USE (CONTINUED)**

Investment income and unrealized gains on investments and assets limited as to use are composed of the following for the years ended December 31:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment Income:			
Interest	\$ 590,116	\$ 43,465	\$ 633,581
Realized Gains on Investments	656,778	-	656,778
	1,246,894	43,465	1,290,359
Nonoperating Gains (Losses):			
Unrealized Gains on Investments	1,860,362	-	1,860,362
Total Investment Income	<u>\$ 3,107,256</u>	<u>\$ 43,465</u>	<u>\$ 3,150,721</u>
	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Investment Income:			
Interest	\$ 473,291	\$ 6,360	\$ 479,651
Realized Gains on Investments	326,100	-	326,100
	799,391	6,360	805,751
Nonoperating Gains (Losses):			
Unrealized Gains on Investments	2,771,377	-	2,771,377
Total Investment Income	<u>\$ 3,570,768</u>	<u>\$ 6,360</u>	<u>\$ 3,577,128</u>

**NOTE 5 PROPERTY AND EQUIPMENT**

Property and equipment are summarized as follows:

	2021	2020
Land	\$ 7,114,165	\$ 7,114,165
Land Improvements	13,490,559	13,595,600
Buildings and Improvements	163,802,690	164,256,756
Equipment	280,501	365,679
Furniture and Fixtures	36,242,967	35,693,865
Capitalized Interest	108,078	28,423
Construction in Progress	3,607,976	991,309
Total Cost	224,646,936	222,045,797
Less: Accumulated Depreciation	96,432,334	89,976,416
Net Property and Equipment	<u>\$ 128,214,602</u>	<u>\$ 132,069,381</u>

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 5 PROPERTY AND EQUIPMENT (CONTINUED)**

Construction in progress at December 31, 2021 and 2020 relates primarily to costs of unit renovations and construction on the Boatwright Circle House. The Community capitalized approximately \$108,000 and \$28,000 of interest for the years ended December 31, 2021 and 2020, respectively.

**NOTE 6 LONG-TERM DEBT**

Long-term debt at December 31 is as follows:

<u>Description</u>	<u>2021</u>	<u>2020</u>
<b>Economic Development Authority of the City of Williamsburg, Revenue Bonds, Series 2007, Assigned to Towne Bank</b>		
Serial bonds, due in graduated annual installments ranging from \$95,000 in September 2012 to \$575,000 in September 2037. Interest is paid semiannually at a rate of 2.58%.	\$ 6,735,000	\$ 7,020,000
<b>Industrial Development Authority of Mathews County, Revenue and Refunding Bonds, Series 2007, Assigned to Chesapeake Bank</b>		
Serial coupon bonds due in annual installments. Principal was paid in full in 2021. Interest was paid semiannually at a rate of 2.25%.	-	5,515,000
<b>Industrial Development Authority of Mathews County, Virginia, Revenue Bonds, Series 2011A and 2011B (Series 2011A and 2011B Bonds), Assigned to Towne Bank</b>		
Revenue bonds due in annual installments ranging from \$80,000 in December 2013 to \$315,000 in December 2041. Interest is paid monthly at both variable and fixed rates. The fixed rate is 3.5%, and, the variable rate is 2.57% at December 31, 2021. The variable rate is subject to adjustment every 10 years.	8,230,000	8,470,000
<b>Industrial Development Authority of Mathews County, Virginia, Revenue Bonds, Series 2012, Assigned to Towne Bank</b>		
Revenue bonds due in annual installments ranging from \$120,000 in December 2013 to \$470,000 in December 2041. Interest is paid monthly at a variable rate. The rate is subject to adjustment every 10 years. At December 31, 2021, the rate was 2.57%.	6,170,000	6,350,000

**WILLIAMSBURG LANDING, INC. AND AFFILIATES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

<u>Description</u>	<u>2021</u>	<u>2020</u>
<b>Economic Development of the City of Williamsburg, Virginia, Revenue and Refunding Bonds, Series 2012C, Assigned to Union First Market Bank</b> Revenue and refunding bonds due in semiannual installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 2.92%.	-	730,000
<b>Economic Development of Gloucester County, Virginia, Revenue and Refunding Bonds, Series 2012D, Assigned to M&amp;T Bank</b> Revenue and refunding bonds due in monthly installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 2.99%.	-	4,662,500
<b>Industrial Development Authority of Mathews County, Virginia, Revenue and Refunding Bonds, Series 2013A, Assigned to M&amp;T Bank</b> Revenue and refunding bonds due in monthly installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 3.05%.	-	9,780,000
<b>Industrial Development Authority of Mathews County, Virginia, Revenue and Refunding Bonds, Series 2013B, Assigned to M&amp;T Bank</b> Revenue and refunding bonds due in monthly installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 3.05%.	-	3,680,000
<b>Joint Industrial Development Authority of Northampton County and its Incorporated Towns, Revenue and Refunding Bond, Series 2015A, Assigned to M&amp;T Bank</b> Revenue and refunding bond due in monthly installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 3.68%.	-	9,736,747
<b>Industrial Development Authority of Mathews County, Virginia, Revenue and Refunding Bond, Series 2015B, Assigned to M&amp;T Bank</b> Revenue and refunding bond due in monthly installments. Principal was paid in full in 2021. Interest was paid monthly at a rate of 3.68%.	-	9,736,756
<b>Economic Development Authority of Mathews County, Virginia, Revenue Bond, Series 2016A, Assigned to Towne Bank</b> Revenue bond due in semiannual installments ranging from \$97,200 in March 2019 to \$270,969 in September 2046. Interest is paid semiannually at a rate of 2.57%.	9,401,485	9,606,139

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

<u>Description</u>	<u>2021</u>	<u>2020</u>
<b>Economic Development Authority of Lancaster County, Virginia, Revenue Bond, Series 2016B, Assigned to M&amp;T Bank</b>		
Revenue bond due in monthly installments.		
Principal was paid in full in 2021. Interest was paid monthly at a variable rate.	-	10,000,000
<b>Economic Development Authority of the City of Williamsburg, Virginia, Revenue Bond, Series 2016C, Assigned to M&amp;T Bank</b>		
Revenue bond due in monthly installments.		
Principal was paid in full in 2021. Interest was paid monthly at a variable rate.	-	10,000,000
<b>Joint Industrial Development Authority of Northampton County and its Incorporated Towns, Revenue Bond, Series 2016D, Assigned to M&amp;T Bank</b>		
Revenue bond due in monthly installments ranging from \$8,064 in January 2020 to \$42,449 in December 2041.		
Principal was paid in full in 2021. Interest was paid monthly at a variable rate.	-	8,661,853
<b>Paycheck Protection Program Loan with M&amp;T Bank</b>		
PPP loan received from SBA as an emergency relief grant due to the COVID-19 pandemic. Forgiven in full during year ended December 31, 2021.	-	3,412,457
<b>Economic Development Authority of James City County, Virginia, Revenue Refunding Bonds Series 2021A</b>		
Revenue Refunding Bonds due in monthly installments through 2050. Interest is fixed at 4.00%.	70,030,000	-
<b>Economic Development Authority of James City County, Virginia, Revenue Refunding Bonds Series 2021B, Federally Taxable</b>		
Revenue Refunding Bonds due in monthly installments through 2022. Interest is fixed at 2.00%.	<u>1,300,000</u>	<u>-</u>
Total	101,866,485	107,361,452
Less: Current Portion	(2,369,982)	(5,812,255)
Plus: Unamortized Premium on 2021A Bonds	7,150,724	-
Less: Unamortized Debt Issuance Costs	<u>(1,771,618)</u>	<u>(1,289,254)</u>
Long-Term Portion	<u>\$ 104,875,609</u>	<u>\$ 100,259,943</u>



**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

The following table sets forth the principal payments due under the long-term debt issuances. Future principal payments do not include any mandatory redemption payments.

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	\$ 2,369,982
2023	2,185,449
2024	2,261,059
2025	2,336,814
2026	2,417,719
Thereafter	<u>90,295,462</u>
Total	<u>\$ 101,866,485</u>

Proceeds from the bond issuances above were used to fund the construction and renovation of the Community. The bond holders and banks holding the bonds require assignment of the revenue and receipts to be derived from the operation of the Community, including all advance fees received from the residents. Additionally, the deeds of trust accompanying the promissory notes are collateralized by an assignment of substantially all assets of the Community, as defined in the deeds of trust.

The Series 2016A debt agreement contains yield protection provisions that would trigger an adjustment to the interest rate if certain conditions (such as a decrease in the maximum federal corporate tax rate, the bond no longer qualifying as a tax-exempt obligation, an event of default, etc.) occur.

On October 1, 2021, the Community issued a note in the amount of \$70,030,000 to refund certain outstanding debt held by the Community including all outstanding obligations held with M&T Bank and Chesapeake Bank, to finance other capital projects at the Community, and to fund amounts required for reserves, working capital, capitalized interest, costs of issuance, and other financing expenses related to the issuance of the note. The note was issued to the Economic Development Authority of James City County, Virginia which in turn issued its Residential Care Facility Revenue Refunding Bonds, Series 2021A (the 2021A Bonds). Principal and interest payments are made semiannually at an interest rate of 4%.

Along with the issuance of the Series 2021A Bonds, the community issued a note in the amount of \$1,300,000. The note was issued to the Economic Development Authority of James City County, Virginia which in turn issued its Residential Care Facility Revenue Refunding Bonds, Series 2021B (Federally Taxable) (the 2021B Bonds). The 2021B Bonds were issued for the same purposes as the 2021A Bonds. The 2021B Bonds mature December 1, 2022 at an interest rate of 2%.

The Second Amended and Restated Master Trust Indenture agreement contains certain covenants for the Community, including, among other things, requirements that days cash on hand (as defined) be in excess of 120 days for certain reporting periods and that the sum of income available for debt service (as defined) be no less than 120% of maximum annual debt service (as defined). At December 31, 2021, management believes the Community was in compliance with these covenant requirements.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

Subsequent to the year ended December 31, 2021, the Community opened a new line of credit worth up to \$3,000,000 with Chesapeake Bank. Principal payments are due monthly starting February 13, 2022 on any outstanding principal with a final maturity of January 13, 2025. Interest is payable monthly based on Wall Street Journal Prime rate minus 0.51%.

**NOTE 7 INTEREST RATE SWAP AGREEMENTS**

The Community managed risks relating to the variability of future cash flows through the use of derivatives. The only derivatives used by the Community were interest rate swaps. In 2017, the Community entered into two receive-variable, pay-fixed interest rate swap agreements with a financial institution to reduce the volatility of interest rates on the variable-rate 2016B and 2016C Bonds. The interest rate swap agreements were entered into on February 2, 2017, with an effective date of January 2, 2018. The notional amount of the interest rate swaps was \$20,000,000 at December 31, 2020. The swaps were terminated during the year ended December 31, 2021 as part of the Series 2021 bond issuance discussed in Note 6.

For the years ended December 31, 2021 and 2020, the amounts of loss recognized in nonoperating gains (losses) on the consolidated statement of operations for derivatives not designated as hedging instruments is as follows:

	2021	2020	Reported in Consolidated Statement of Operations as
Change in Fair Value of Interest Rate Swap Agreement	\$ -	\$ (872,710)	Net (Loss) on Interest Rate Swap
Net Settlements on Interest Rate Swaps	<u>356,071</u>	<u>(263,391)</u>	Net Gain (Loss) on Interest Rate Swap
Net Loss on Interest Rate Swaps	<u>\$ 356,071</u>	<u>\$ (1,136,101)</u>	

**NOTE 8 ADVANCE FEES AND DEPOSITS**

A refundable deposit of \$10,000 is made by the prospective resident, which places the future resident on a ready status list. These deposits are held in an escrow account and can be used to fund operations under specified conditions.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 8    ADVANCE FEES AND DEPOSITS (CONTINUED)**

At the time a residency agreement is executed, the \$10,000 advance deposit is applied toward the then due entrance fee. Generally, the entrance fees are refundable from the proceeds of a successor resident's deposit. When a resident terminates the residency agreement while residing in independent living, the resident is not entitled to a refund of such resident's advance fee until the Community has received from a new successor resident full payment of the entrance fee with respect to the residential unit previously occupied by the terminating resident. For those residents residing in the health and rehabilitation center, when their independent living unit has been resold, the resident is entitled to a refund of such resident's advance fee within 30 days of the termination of the residency agreement.

Effective May 15, 1997, the Community established the Williamsburg Landing Continuing Care Trust (the Trust Fund) by placing funds in a trust account with SunTrust Bank (currently U.S. Bank is the trustee). The Trust Fund was established to satisfy the Community's continuing care obligations to provide assisted living, long-term, and skilled nursing care services to the qualified residents of its facility participating in the program.

Residents participating in the program pay a monthly fee into the Trust Fund. Income earned on the investments in the Trust Fund is restricted to cover the costs of the program. Amounts in the Trust Fund will be used to provide for discounted rates in assisted living and nursing care. No portion of the Trust Fund is available to the Community for purposes other than those limited purposes set forth in the agreement establishing the Trust Fund. As provided in the residency agreements, the financial obligation of the Community with respect to the program is limited to the amount in the Trust Fund. On January 1, 2007, the program became optional for new residents. After December 31, 2007, the program was closed to new residents.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of December 31 are available for the following purposes:

	<u>2021</u>	<u>2020</u>
Residential Services - Improvement of Facilities:		
Memorial Garden	\$ 4,019	\$ 1,129
Library Fund	5,837	5,726
Other	<u>124,716</u>	<u>117,310</u>
Total Residential Services - Improvement of Facilities	134,572	124,165
Resident Care:		
Benevolence Fund	1,085,999	1,118,237
Nursing Scholarship	66,169	11,287
Other	<u>56,162</u>	<u>64,465</u>
Total Resident Care	1,208,330	1,193,989
Adult Day Safe Harbor	233,547	379,875
Charitable Gift Annuities	237,635	227,433
Flower Fund	<u>111,639</u>	<u>111,639</u>
 Total	 <u>\$ 1,925,723</u>	 <u>\$ 2,037,101</u>

Donor-restricted endowment funds are invested in perpetuity. The income on such investments, as specified by the donor, is to be used for the purposes noted. Donor-restricted endowment funds as of December 31 are as follows:

	<u>2021</u>	<u>2020</u>
Residential Services:		
Library Fund	\$ 30,360	\$ 30,360
Chapel Fund	<u>1,280</u>	<u>1,280</u>
Total	<u>\$ 31,640</u>	<u>\$ 31,640</u>

**NOTE 10 FUNCTIONAL EXPENSES**

The financial statements report certain expense categories that are attributable to more than one community-based service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, interest and amortization, and insurance costs, are allocated to a function based on a square-footage basis for 2021 and 2020.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 10 FUNCTIONAL EXPENSES (CONTINUED)**

The Community provides residential services to its residents, which include independent living, assisted living, and certain nursing services. Expenses related to providing these services for the year ended December 31, 2021 are as follows:

	Community- Based Services	Support Services	Total
Salaries and Benefits	\$12,632,791	\$3,047,415	\$ 15,680,206
Purchased Services	\$3,324,061	\$771,720	4,095,781
Supplies	\$304,775	\$57,620	362,395
Depreciation	\$7,301,275	\$1,288,460	8,589,735
Rental and Leases	\$7,639	\$292,353	299,992
Interest and Amortization	\$2,567,292	\$453,052	3,020,344
Insurance	\$445,190	\$78,563	523,753
Other	\$6,127,292	\$1,101,188	7,228,480
Total	<u>\$ 32,710,315</u>	<u>\$ 7,090,371</u>	<u>\$ 39,800,686</u>

The Community provides residential services to its residents, which include independent living, assisted living, and certain nursing services. Expenses related to providing these services for the year ended December 31, 2020 are as follows:

	Community- Based Services	Support Services	Total
Salaries and Benefits	\$ 14,797,026	\$ 2,676,413	\$ 17,473,439
Purchased Services	2,393,031	928,275	3,321,306
Supplies	307,256	73,168	380,424
Depreciation	7,216,638	1,273,524	8,490,162
Rental and Leases	7,300	279,022	286,322
Interest and Amortization	2,877,443	507,784	3,385,227
Insurance	379,044	66,890	445,934
Other	7,128,985	1,202,533	8,331,518
Total	<u>\$ 35,106,723</u>	<u>\$ 7,007,609</u>	<u>\$ 42,114,332</u>

**NOTE 11 FAIR VALUE MEASUREMENTS**

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Community's assets and liabilities measured at fair value on a recurring basis at December 31, 2021 and 2020 and the valuation techniques used by the Community to determine those fair values.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 11 FAIR VALUE MEASUREMENTS (CONTINUED)**

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Community has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Community's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

	2021			Total
	Level 1	Level 2	Level 3	
Assets:				
Investments - Mutual Funds	\$ 29,088,619	\$ -	\$ -	\$ 29,088,619
Assets Limited as to Use:				
Fixed Income	331,822	-	-	
Mutual Funds	15,792,126	-	-	15,792,126
Total Assets Limited as to Use	16,123,948	-	-	16,123,948
Total Assets	<u>\$ 45,212,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,212,567</u>

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 11 FAIR VALUE MEASUREMENTS (CONTINUED)**

	2020			Total
	Level 1	Level 2	Level 3	
<b>Assets:</b>				
Investments - Mutual Funds	\$ 20,937,315	\$ -	\$ -	\$ 20,937,315
<b>Assets Limited as to Use:</b>				
Fixed Income	327,106	-	-	327,106
Mutual Funds	14,896,915	-	-	14,896,915
Total Assets Limited as to Use	<u>15,224,021</u>	<u>-</u>	<u>-</u>	<u>15,224,021</u>
Total Assets	<u>\$ 36,161,336</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,161,336</u>
<b>Liabilities:</b>				
Derivatives - Liabilities Under Interest Rate Swap Agreements	<u>\$ -</u>	<u>\$ 1,649,058</u>	<u>\$ -</u>	<u>\$ 1,649,058</u>

The fair value of the interest rate swaps at December 31, 2020 was determined primarily based on Level 2 inputs. The Community estimates the fair value of these instruments by discounting the future cash flows of both the fixed-rate and variable-rate interest payments. The discount rates were derived from yield curves created by nationally recognized financial institutions. The Interest rate swaps were terminated during the year ended December 31, 2021.

The Community had \$8,062,567 and \$1,972,500 of cash, cash equivalents, and other accounts included with assets whose use is limited on the consolidated balance sheets at December 31, 2021 and 2020, respectively, which are not included in the above table.

**NOTE 12 CONCENTRATIONS OF CREDIT RISK**

The Community places its temporary cash and investments with high credit quality financial institutions. At times, such cash and investments may be in excess of Federal Deposit Insurance Corporation (FDIC) limits. Management believes these financial institutions have strong credit ratings and that credit risk related to those deposits is minimal.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 13 RELATED PARTY TRANSACTIONS**

During 2021 and 2020, two members of the Community's board of directors served as board members of a financial institution or its affiliate. Balances on deposit with this financial institution totaled approximately \$664,000 and \$521,000 at December 31, 2021 and 2020, respectively. In addition, the Community had a serial coupon bond outstanding, which had been assigned to this financial institution, with a balance of approximately \$5,515,000 at December 31, 2020. This bond was refinanced during the year ended December 31, 2021.

A member of the Community's board of directors is on the board of another financial institution with which the Community does business. Balances on deposit with this financial institution totaled approximately \$1,568,000 and \$1,485,000 at December 31, 2021 and 2020, respectively. In addition, the Community has outstanding notes payable with total balances of approximately \$30,536,485 and \$31,446,139 at December 31, 2021 and 2020, respectively.

Two nonvoting officers of the Community's board of directors, serving the roles of secretary and assistant secretary, are partners with a legal firm that provides legal services to the Community. These officers are not board members. Fees paid to the legal firm for the years ended December 31, 2021 and 2020 totaled approximately \$153,000 and \$224,000, respectively.

**NOTE 14 BENEVOLENCE ASSISTANCE**

The Community has a benevolence assistance program directed toward residents who are unable to pay for the cost of their care. The Community uses certain funds designated for benevolence assistance to subsidize the charges for services provided to residents who need such assistance. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis. The charges for subsidized services are recorded as revenue, and the subsidies are recorded as benevolence assistance expense.

The Community has estimated its direct and indirect costs of providing benevolence assistance under its benevolence assistance policy. In order to estimate the cost of providing such care, management calculated a cost-to-charge ratio by comparing the cost to provide services to residents and the amount charged to residents. The cost-to-charge ratio is applied to the charges foregone to calculate the estimated direct and indirect cost of providing benevolence assistance. Using this methodology, the Community has estimated the costs for services under the Community's benevolence assistance policy to be approximately \$181,000 and \$193,000 for the years ended December 31, 2021 and 2020, respectively.

The Community received approximately \$123,000 and \$45,000 to subsidize the costs of providing benevolence assistance under its benevolence assistance policy for the years ended December 31, 2021 and 2020, respectively.



**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 15 COMMITMENTS AND CONTINGENCIES**

The Community is subject to legal proceedings and claims that arise in the ordinary course of business. The Community maintains liability insurance coverage for claims made during the policy year. Under a claims-made policy, determination of coverage is triggered by the date the insured first becomes aware and notifies the insurer of a claim or potential claim. In management's opinion, adequate provision has been made for amounts expected to be paid under the policy's deductible limits for unasserted claims not covered by the policy and any other uninsured liability.

**NOTE 16 LIQUIDITY**

The Community's financial assets available within one year of December 31 for general expenditure are as follows:

	2021	2020
Cash and Cash Equivalents	\$ 4,553,256	\$ 6,652,583
Resident Accounts Receivable	442,754	510,011
Other Receivables	550,102	176,651
Total	\$ 5,546,112	\$ 7,339,245

None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the consolidated balance sheet date.

The Community's investments of \$29,088,619 and \$20,937,315 could be made available, subject to approval by the board of directors, for either capital or operating needs. In addition, the board of directors has designated certain amounts included in assets limited as to use disclosed in Note 3 that could be redesignated for operating needs. The Community has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Community also realizes there could be unanticipated liquidity needs.

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021 AND 2020**

**NOTE 17 RETIREMENT PLAN**

The Community sponsors a 403(b) plan for substantially all employees. The plan provides for the Community to make discretionary contributions. The Community's contributions to the plan totaled \$239,329 and \$236,525 for the years ended December 31, 2021 and 2020, respectively. Certain highly compensated employees participate in a 457(b) voluntary defined contribution plan sponsored by the Community.

**NOTE 18 LEASES**

The Community leases several vehicles and copiers with the latest expiring in September 2026. Total rent expense on these leases was approximately \$300,000 and \$317,000 for 2021 and 2020, respectively.

Future minimum lease payments under this operating lease are as follows:

<u>Year Ending December 31,</u>	
2022	\$ 117,515
2023	94,220
2024	61,185
2025	43,188
2026	25,861
	<u>\$ 341,969</u>

**SUPPLEMENTAL INFORMATION**

**WILLIAMSBURG LANDING, INC. AND AFFILIATES**  
**CONSOLIDATING BALANCE SHEET**  
**DECEMBER 31, 2021**

<b>ASSETS</b>	Williamsburg Landing, Inc.	Birchwood Land, LLC	Eliminating Entries	Total
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 4,476,712	\$ 76,544	\$ -	\$ 4,553,256
Accounts Receivable	442,754	-	-	442,754
Other Receivables:				
Affiliates	383,432	-	(383,432)	-
Other	550,102	-	-	550,102
Supplies Inventory	273,020	-	-	273,020
Current Portion of Assets Limited as to Use	1,665,600	-	-	1,665,600
Prepaid Expenses and Other	907,876	-	-	907,876
Total Current Assets	<u>8,699,496</u>	<u>76,544</u>	<u>(383,432)</u>	<u>8,392,608</u>
<b>ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION</b>	22,520,915	-	-	22,520,915
<b>INVESTMENTS</b>	29,088,619	-	-	29,088,619
<b>PROPERTY AND EQUIPMENT - NET</b>	127,629,836	584,766	-	128,214,602
<b>OTHER ASSETS</b>				
Investment in Joint Venture	184,314	-	-	184,314
Pledges Receivable	365,450	-	-	365,450
Total Other Assets	<u>549,764</u>	<u>-</u>	<u>-</u>	<u>549,764</u>
<b>Total Assets</b>	<u>\$ 188,488,630</u>	<u>\$ 661,310</u>	<u>\$ (383,432)</u>	<u>\$ 188,766,508</u>

**WILLIAMSBURG LANDING, INC. AND AFFILIATES  
CONSOLIDATING BALANCE SHEET (CONTINUED)  
DECEMBER 31, 2021**

	Williamsburg Landing, Inc.	Birchwood Land, LLC	Eliminating Entries	Total
<b>LIABILITIES AND DEFICIENCY IN NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 1,540,272	\$ -	\$ -	\$ 1,540,272
Accounts Payable - Affiliates	-	383,432	(383,432)	-
Current Portion of Long-Term Debt	2,369,982	-	-	2,369,982
Refundable Reservation Deposits	508,000	-	-	508,000
Advance Fee Deposits	1,456,000	-	-	1,456,000
Current Portion of Refundable Advance Fees	9,085,000	-	-	9,085,000
Accrued Liabilities and Other:				
Accrued Salaries and Wages	1,000,189	-	-	1,000,189
Accrued Annual Leave	757,670	-	-	757,670
Accrued Interest	293,521	-	-	293,521
Total Current Liabilities	<u>17,010,634</u>	<u>383,432</u>	<u>(383,432)</u>	<u>17,010,634</u>
<b>LONG-TERM DEBT, NET OF CURRENT PORTION</b>	104,875,609	-	-	104,875,609
<b>OTHER LONG-TERM LIABILITIES</b>				
Continuing Care Deposits	11,860,171	-	-	11,860,171
Deferred Revenue from Advance Fees	43,927,353	-	-	43,927,353
Refundable Advance Fees, Net of Current Portion	59,501,610	-	-	59,501,610
Gift Annuity Payment Liability	94,187	-	-	94,187
Total Other Long-Term Liabilities	<u>115,383,321</u>	<u>-</u>	<u>-</u>	<u>115,383,321</u>
<b>Total Liabilities</b>	237,269,564	383,432	(383,432)	237,269,564
<b>NET ASSETS (DEFICIT)</b>				
Without Donor Restrictions	(50,738,297)	277,878	-	(50,460,419)
With Donor Restrictions	1,957,363	-	-	1,957,363
<b>Total Net Assets (Deficit)</b>	<u>(48,780,934)</u>	<u>277,878</u>	<u>-</u>	<u>(48,503,056)</u>
<b>Total Liabilities and Net Assets (Deficit)</b>	<u>\$ 188,488,630</u>	<u>\$ 661,310</u>	<u>\$ (383,432)</u>	<u>\$ 188,766,508</u>

**WILLIAMSBURG LANDING, INC. AND AFFILIATES  
CONSOLIDATING STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2021**

	Williamsburg Landing, Inc.	Birchwood Land, LLC	Eliminating Entries	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Residential and Health Care Services				
Revenues	\$ 32,074,679	\$ -	\$ -	\$ 32,074,679
Investment Income	1,246,894	-	-	1,246,894
Amortization of Entrance Fees	5,756,441	-	-	5,756,441
Other	1,358,865	44,500	-	1,403,365
Contribution Revenue	1,105,887	-	-	1,105,887
Total Revenues, Gains, and Other Support	<u>41,542,766</u>	<u>44,500</u>	<u>-</u>	<u>41,587,266</u>
<b>EXPENSES</b>				
Skilled Nursing Facility	4,360,062	-	-	4,360,062
Assisted Living	2,071,623	-	-	2,071,623
Other Services	2,126,550	-	-	2,126,550
General and Administrative	4,050,508	6,156	-	4,056,664
Facilities, Grounds, and Security	3,532,393	-	-	3,532,393
Marketing and Development	1,029,806	-	-	1,029,806
Environmental Services and Materials Management	1,718,896	-	-	1,718,896
Culinary Services	5,818,134	-	-	5,818,134
Fitness Center	1,405,613	-	-	1,405,613
Utilities	855,920	-	-	855,920
Property Taxes	1,029,547	4,474	-	1,034,021
Benevolence	180,925	-	-	180,925
Depreciation	8,571,197	18,538	-	8,589,735
Interest and Amortization	3,020,344	-	-	3,020,344
Total Expenses	<u>39,771,518</u>	<u>29,168</u>	<u>-</u>	<u>39,800,686</u>
<b>OPERATING INCOME</b>	1,771,248	15,332	-	1,786,580
<b>NONOPERATING GAINS (LOSSES)</b>				
Unrealized Gains on Investments	1,860,362	-	-	1,860,362
Net Gain (Loss) on Interest Rate Swap Agreements	356,071	-	-	356,071
Loss on the Extinguishment of Debt	(1,104,007)	-	-	(1,104,007)
Gain on Forgiveness of Debt	3,412,457	-	-	3,412,457
Other Gains	295,930	-	-	295,930
Gain on Investment in Joint Venture	9,714	-	-	9,714
Total Nonoperating Gains (Losses)	<u>4,830,527</u>	<u>-</u>	<u>-</u>	<u>4,830,527</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	6,601,775	15,332	-	6,617,107
<b>OTHER CHANGES IN NET ASSETS WITHOUT RESTRICTIONS</b>				
Net Assets Released from Restrictions for Capital Expenditures	171,679	-	-	171,679
<b>INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u>\$ 6,773,454</u>	<u>\$ 15,332</u>	<u>\$ -</u>	<u>\$ 6,788,786</u>

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Management and the Board of Directors  
Williamsburg Landing, Inc. and Affiliates  
Williamsburg, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Williamsburg Landing, Inc. and Affiliates (the Community), which comprise the consolidated balance sheet as of December 31, 2021 and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated REPORT DATE.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Community's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community's internal control. Accordingly, we do not express an opinion on the effectiveness of the Community's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Community's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Management and the Board of Directors  
Williamsburg Landing, Inc. and Affiliates

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Community's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Community's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Community's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

### **CliftonLarsonAllen LLP**

Charlotte, North Carolina  
REPORT DATE



**APPENDIX D**

**PRO-FORMA OF REVENUES  
AND  
EXPENSES STATEMENT**

<b>Williamsburg Landing Inc.</b>		
<b>2022 Pro Forma Income Statement</b>		
<b>Operating Revenues:</b>		
Independent Living Revenue	\$18,954,000	
Assisted Living Revenue	\$8,237,500	
Skilled Nursing	\$5,526,000	
Adult Day Revenue	\$425,300	
Ancillary Revenue/ Contractual	\$635,500	
<b>Total Monthly Fees</b>	<b>\$33,778,300</b>	
Miscellaneous Revenue	\$1,042,800	
Net Assets Released for Benevolence	\$307,900	
Investment Income	\$365,800	
Earned Entrance Fees	\$5,476,100	
<b>Total Operating Revenues</b>	<b>\$40,970,900</b>	
<b>Operating Expenses:</b>		
Administration, Business Office, IT	\$2,929,300	
Adult Day	\$373,000	
Marketing & Public Relations	\$809,300	
Development	\$136,200	
Human Resources	\$719,900	
Operations: Medical Services	\$7,914,400	
Operations: Other Services	\$13,848,500	
Property (Insurance, Taxes, Utilities)	\$2,509,000	
Depreciation & Amortization	\$8,439,200	
Interest Expense	\$3,718,800	
Benevolence Expenses	\$307,900	
<b>Total Operating Expenses</b>	<b>\$41,705,500</b>	
<b>Net Income (Loss)</b>		<b>\$(734,600)</b>

Notes to the Pro Forma:

The proposed 2022 budget is driven primarily by several key themes, the most influential being occupancy and workforce. Twenty seven total sales are planned in independent living, bringing the average occupancy to 94.7%. Health & Rehabilitation Center, Assisted Living, and Memory Support, although each incurring obstacles during the COVID pandemic, are expected to meet and maintain the budgeted occupancy throughout 2022. In 2022, we should continue to see a positive operating cash flow with continued focus on operating efficiencies and lowering our expense profile.

**KEY FINANCIAL INDICATORS (\$1,000'S)**

	<b>2022B</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>CARF 50<sup>th</sup> Percentile 2020</b>
Net Operating Income	\$5,600	\$5,550	\$5,336	\$3,480	\$2,491	\$3,879	
% Change	0.9%	4.0%	53.3%	39.7%	-35.8%	3.7%	
Net Operating Margin	15.9%	16.5%	13.8%	10.6%	8.4%	14.3%	-0.1%
Net Operating Margin, Adjusted	28.7%	29.4%	19.6%	19.1%	28.0%	32.2%	15.2%
Net Income	\$(734)	\$5,736	\$860	\$(444)	\$(4,303)	\$2,602	
Cash Flow	\$1,205	\$4,371	\$(1,687)	\$2,603	\$(908)	\$790	
Debt Coverage Ratio	1.48	2.18	2.47	1.50	2.12	1.59	2.18
Days Cash on Hand	378	393	299	249	273	319	500
Cash to Debt Ratio	35.4%	32.1%	27.5%	21.4%	18.4%	22.0%	72.9%
Average Age of Plant	11.5	11.2	10.6	10.0	10.7	11.2	12.2

## **APPENDIX E**

### **SUMMARY OF FINANCIAL CONDITION**

**SUMMARY OF FINANCIAL CONDITION**

Attached as **Appendix C** are the audited financial statements of Williamsburg Landing for the two years ended December 31, 2020 and 2021. Below is a summary of financial condition for Williamsburg Landing:

**Summary of Financial Information as of 12/31/2021**

	<u>Current Year</u>	<u>Prior Year</u>
Total Assets	\$188,766,508	\$179,284,386
Total Liabilities	\$237,269,564	\$234,464,850
Total Net Assets	(\$50,460,419)	(\$57,249,205)
Total Revenues	\$41,587,266	\$42,030,751
Total Expenses	\$39,800,686	\$42,114,332
Operating Income (Loss)	\$1,786,580	-\$83,581
Net Income (Loss)	\$6,788,786	\$1,561,360

Narrative on financial condition:

In 2021, operating revenue was 1.7% below budget and operating expenses were 2.5% below budget resulting in a net operating margin of 16.5% which was slightly above target.

The debt service coverage ratio ended 2021 at 2.17 compared to a budget of 1.7, and was above the minimum loan requirement of 1.2. At the end of 2021, days cash on hand was 389 which is above budget of 254, and was above the minimum loan requirement of 120.

The change in unrestricted net deficit was a positive \$6,788,786 primarily due to net unrealized market activity on investments. For more detailed information, please refer to **Appendix C** attached for the most recent financial audit results.

<u>Occupancy Information</u>	<u>Capacity of Units</u>	<u>Average Occupancy</u>	<u>Percentage Occupancy</u>
Independent Living	321	290.5	91.4%
Assisted Living	74	63.4	85.6%
Nursing	73	39.0	53.4%
Memory Support	24	21.2	88.3%

**Independent Advice. Prospective residents should consult independent legal and tax advisors regarding residency at Williamsburg Landing and the tax and legal implications as would be prudent with any other major financial decision.**