

Disclosure Statement

Windsor Run Continuing Care Retirement Community

Provider: Windsor Run

Date of Disclosure Statement: December 31, 2025

Last Date for Delivery: June 9, 2027

- This Disclosure Statement must be delivered to a contracting party before the execution of a binding reservation agreement or continuing care contract.
- This Disclosure Statement has not been reviewed or approved by any government agency or representative to ensure the accuracy of the information provided.
- This Disclosure Statement has been filed with, and recorded by, the North Carolina Department of Insurance in accordance with Article 64A of Chapter 58 of the North Carolina General Statutes (“Article 64A”).
- This Disclosure Statement contains all information required by Article 64A and is correct in all material respects. Knowingly delivering a disclosure statement that contains an untrue statement or omits a material fact may subject Windsor Run to penalties under Article 64A.

Financial Snapshot: Key Ratios for Windsor Run

Table FS-1. Financial Snapshot – Key Statutory Financial Ratios

Fiscal Year Ended December 31, 2025 (FY), with comparative historical and prospective periods

Ratio	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	NC 25 th % ¹	NC 50 th % ¹	NC 75 th % ¹
DCOH	127	20	27	25	24	23	—	—	—
CUSH	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
OR	110.4%	103.6%	102.3%	95.8%	93.8%	91.4%	—	—	—
NOM	(3.2%)	0.3%	(2.8%)	4.1%	6.1%	8.6%	—	—	—
NOM-A	12.2%	7.6%	12.3%	20.8%	24.7%	29.0%	—	—	—
DSCR	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
CD	N/A	N/A	N/A	N/A	N/A	N/A	—	—	—
CED	.37	.41	.27	.32	.24	.21	—	—	—

Liquidity Ratios:

- Days Cash on Hand (DCOH). Number of days the provider could pay its normal cash operating expenses using unrestricted cash and investments. More days generally means stronger liquidity.
- Cushion Ratio (CUSH). Number of times the provider’s unrestricted cash and investments could cover one year of debt service. Higher values mean more resources to pay debt service.

Profitability Ratios:

- Operating Ratio (OR). Compares current operating expenses (excluding depreciation and amortization) to current operating revenues (excluding entrance fee amortization). Lower percentages mean operating revenues are more easily covering cash operating expenses.
- Net Operating Margin (NOM). Shows the result from core resident services. Higher values mean a stronger operating result from resident services.
- Adjusted Net Operating Margin (NOM-A). Shows the operating result after also counting net entrance fee cash received during the year. Higher values mean the result is improved when net entrance fee cash is included.

Capital Structure Ratios:

- Debt Service Coverage (DSCR). Measures the provider’s ability to pay annual debt service from operations and net entrance fee cash. Higher values indicate greater ability to pay debt service.
- Unrestricted Cash & Investments to Long-Term Debt (CD). Compares unrestricted cash and investments to long-term debt. Higher values indicate more unrestricted cash and investments relative to debt.
- Capital Expenditures to Depreciation (CED). Compares what the provider is spending on capital improvements to the amount its assets are wearing out. Values at or above 1.0x usually mean the provider is reinvesting enough to keep up.

See Appendix E for full statutory definitions of how ratios are derived.

¹ **NC Provider Quartiles.** Values will be compiled annually by the North Carolina Department of Insurance, stratified by community model (Entrance Fee, Rental, Equity), and are expected to be available in late 2026.

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1. Provider Identification

Legal Responsibility for Continuing Care

Windsor Run (“the Provider”) is the organization that signs Residence and Care Agreements (“Agreement”) with our residents. This means Windsor Run is fully responsible for delivering the continuing care services promised in those agreements. No other company or individual is responsible for providing these services unless specifically noted in this Disclosure Statement.

Item	Information
Legal Provider Name	Windsor Run, LLC
Trade Name	Windsor Run
Business Address	701 Maiden Choice Lane, Baltimore, Maryland 21228
Community Address	2030 Windsor Run Lane, Matthews, North Carolina 28105
Telephone Number	704-443-6300
Legal Entity Type	Limited Liability Company
State of Formation	Maryland (qualified to do business in North Carolina)
For-Profit / Nonprofit Status	For-profit
Tax Status	Not tax-exempt

2. Organizational Structure

2.1 Multi-Entity Organization

Windsor Run is part of a multi-entity organizational structure. It has two ownership members:

- Erickson Living Properties II, LLC, a for-profit entity which owns 90% of Windsor Run. This company is fully owned by Erickson Living Holdings, LLC (“Erickson Living Holdings”).
- NSC Windsor Run, Inc., which owns the remaining 10% of Windsor Run. NSC Windsor Run is owned by National Senior Communities, Inc. (“National Senior Communities”), a nonprofit organization recognized as tax-exempt under IRS rules (Section 501(c)(3)).

2.2 Consolidation of Financial Statements

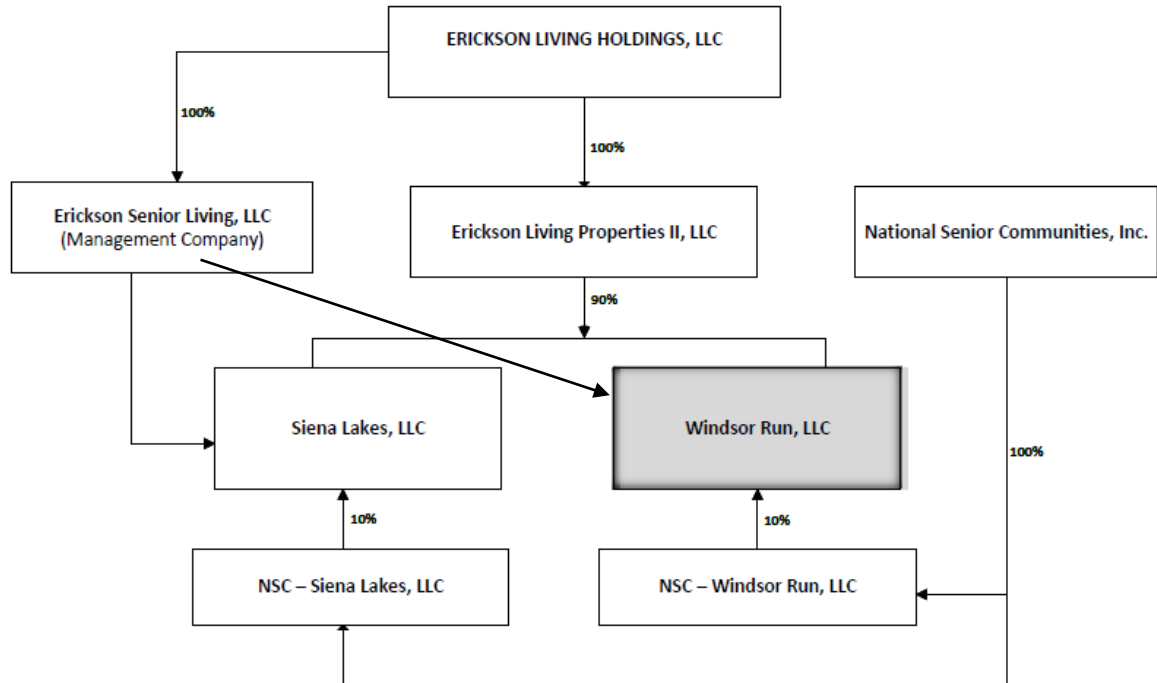
Windsor Run’s audited financial statements are not prepared on a consolidated basis as it does not have any subsidiaries. Its audited financial statements are prepared in compliance with US GAAP.

2.3 Controlling Person

Item	Information
Name:	Erickson Living Holdings, LLC
Business Address:	701 Maiden Choice Lane, Baltimore, MD, 21228
Telephone Number:	410-242-2880

2.4 Company Structure Chart

The organizational structure of Windsor Run and its related entities is as follows:



3. Key Persons and Management Personnel

Definitions (for purposes of this Section):

- **Outside Interests:** Any professional service firm, association, trust, partnership, or corporation in which the individual has, or which has in the individual, a ten percent (10%) or greater interest and that currently provides, or is expected to provide, goods, leases, or services to the provider of an aggregate value of \$5,000 or more. If none, the Provider discloses “None.”
- **Adverse Disclosures:** Any conviction of or plea of nolo contendere to a felony charge; any final judgment in a civil action for fraud, embezzlement, fraudulent conversion, or misappropriation of property; any currently effective injunctive or restrictive court order; or any suspension or revocation within the past five years of a state or federal license or permit as a result of governmental action. If none, the Provider discloses “None.”

3.1 Senior Officers of Windsor Run and Erickson Living Holdings

Name / Role	Education	Relevant Experience
R. Alan Butler Chief Executive Officer	M.B.A., Loyola College (MD) B.S. Finance, University of Maryland	Former Treasurer of Allegis Group, Inc. (14 years), responsible for debt placement, credit facilities, cash management, and M&A advisory; prior credit and lending roles with Bank of America and predecessor institutions (1986–1996). Length of Service: Since Community’s Opening in 2018
Gregg Colon Chief Operating Officer	B.S., Georgetown University Certified Public Accountant	Former Senior Vice President of Health Services at Erickson Senior Living; previously Senior Vice President of Resident Care and Services at Sunrise Senior Living, overseeing care programs across 300+ communities in the U.S., Canada, and the U.K. Length of Service: Since Community’s Opening in 2018
Christian Sweetser Chief Financial Officer	B.S. Economics, Cornell University M.B.A., University of Chicago Chartered Financial Analyst (CFA)	Former CFO of Silverado Senior Living, leading record profitability; previously Vice President at Welltower Inc., responsible for financial strategy, planning, analysis, and performance. Length of Service: Since 2021
John D. Hall Treasurer	B.S. Business Administration (Accounting), Loyola College (MD) M.B.A. (Tax), University of Baltimore Certified Public Accountant	Former Chief Accounting Officer of Allegis Group, Inc.; previously in public accounting for 15 years. Length of Service: Since Community’s Opening in 2018
Susan L. Oliveri Secretary	J.D., University of Baltimore School of Law (magna cum laude) B.B.A., Finance & Marketing, University of Texas at Austin	Former attorney with Miles & Stockbridge, PC and Smith, Somerville & Case, LLC; former judicial clerk to the Maryland Court of Appeals. Length of Service: Since Community’s Opening in 2018

Business Address: 701 Maiden Choice Lane, Catonsville, MD, 21228

Disclosures: The officers listed above also serve as officers for related companies—Erickson Senior Living, LLC and Erickson Living Development, LLC. These companies provide goods or services to the Community valued at \$5,000 or more in a given year. Aside from these relationships, no officers have reported any outside business interests or adverse disclosures.

3.2 Community Management- Windsor Run

The following individual will be managing Windsor Run on a day-to-day basis.

Name / Role	Education	Relevant Experience
Michael Wehrle Executive Director	Towson University- B.S. Healthcare Management University of Maryland University College- M.S. Healthcare Administration	Director of Continuing Care, Ashby Ponds from 2017-2021; Associate Executive Director, Fox Run from 2021-2023 Length of Service: Since 2023

Business Address: 2030 Windsor Run Lane, Matthews, North Carolina 28105

Disclosure: No reported Outside Interests or Adverse Disclosures.

3.3 Management Entity- Erickson Senior Living, LLC

- Nature of Role: Erickson Senior Living, LLC (“Erickson Senior Living”) provides management and centralized administrative services to Windsor Run.
- Experience: Erickson Senior Living was founded in 2009 and has managed Windsor Run since the Community first opened. Its leadership team has extensive experience in developing and operating retirement communities. Erickson Senior Living is part of a well-established network of communities designed to offer a maintenance-free, active lifestyle with a wide range of amenities, social opportunities, and on-site wellness and medical services. Erickson Senior Living currently manages the following communities: Charlestown (Catonsville, MD), Oak Crest (Parkville, MD), Greenspring (Springfield, VA), Seabrook (Tinton Falls, NJ), Riderwood (Silver Spring, MD), Brooksby Village (Peabody, MA), Cedar Crest (Pompton Plains, NJ), Ann’s Choice (Warminster, PA), Fox Run (Novi, MI), Linden Ponds (Hingham, MA), Eagle’s Trace (Houston, TX), Highland Springs (Dallas, TX), Maris Grove (Concordville, PA), Wind Crest (Denver, CO), Tallgrass Creek (Overland Park, KS), Ashby Ponds (Ashburn, VA), Lantern Hill (New Providence, NJ), Devonshire (West Palm Beach, FL), Windsor Run (Matthews, NC), Siena Lakes (Naples, FL), Avery Point (Richmond, VA), Woodleigh Chase (Fairfax, VA), The Grandview (Bethesda, MD), and Oxford Hills (Clarksville, MD).
- Business Address: 701 Maiden Choice Lane, Catonsville, 21228
- Key Officers: Alan Butler (CEO), Gregg Colon (COO), Christian Sweetser (CFO), John Hall (Treasurer), Susan Oliveri (Secretary)

3.4 Ownership of 10% or More

No individual person owns 10% or more of Windsor Run or of its parent company, Erickson Living Holdings.

4. Governing Body and Oversight

4.1. Provider Governing Body

Windsor Run has two Members:

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- Erickson Living Properties II, LLC (“Erickson Living Properties”) (90% ownership interest), and
- NSC Windsor Run, Inc. (NSC Windsor Run”) (10% ownership interest).

Erickson Living Properties is wholly owned by Erickson Living Holdings.

Windsor Run is governed in accordance with its Limited Liability Company Operating Agreement. Governance authority is exercised through its Members, who hold important oversight responsibilities. These responsibilities include:

- Approving key financial decisions, including annual operating and capital budgets;
- Approving or enforcing the Management Agreement with Erickson Senior Living;
- Overseeing strategic issues involving the mission, long-term direction, or tax-exempt obligations of NSC Windsor Run;
- Approving major corporate actions, such as amendments to governing documents or the admission of new Members.

4.1.1 Appointment of Members

The Operating Agreement establishes how Members may be added or replaced. New Members may be admitted only with the unanimous approval of all existing Members. Members are not elected by residents or the public. Membership changes occur only through Member-approved admission or through a transfer of an existing ownership interest in accordance with the Operating Agreement

4.1.2 Oversight of Management Operations

Windsor Run engages Erickson Senior Living to operate the community on a day-to-day basis under a formal management agreement.

The Members have delegated certain operational responsibilities to Erickson Senior Living. The Management Company is responsible for:

- Managing daily operations of the community, including staffing, services, and resident-facing activities;
- Carrying out the annual operating and capital budgets, once approved by the Members; and
- Providing financial, operational, and management reports to the Members as required.

The Members retain oversight over matters involving the community’s mission, financial health, budget, and long-term strategic direction, and maintain authority over major decisions reserved to them under the Operating Agreement

4.2 Controlling Person Governing Body

The Controlling Person of Windsor Run is Erickson Living Holdings. While it does not directly employ staff or manage the community day-to-day, Erickson Living Holdings provides parent-company oversight, system-level leadership, and enterprise-wide support to its affiliated entities. It does not

oversee or conduct daily operations at Windsor Run.

4.3 Division of Responsibilities

To avoid duplication and ensure effective oversight, responsibilities are divided as follows:

- Windsor Run’s senior management and Erickson Senior Living handle resident-level operations, service delivery, and day-to-day management under the management agreement.
- The Members retain authority over budgets, major governance decisions, and oversight of senior management and Erickson Senior Living, including approval of operating and capital budgets and key contractual and strategic matters.
- Erickson Living Holdings oversees system-level matters, including enterprise leadership, framework and policy standards, and coordinated operational support across the broader Erickson network. It supports—but does not manage—local community operations.

5. Related Parties

Windsor Run has relationships with related parties under common control with its controlling person, Erickson Living Holdings. Each arrangement identified below exceeded \$5,000 in FY2025. These companies do not have any equitable or beneficial interests in Windsor Run. For purposes of this section, Actual Cost refers to the cost incurred by Windsor Run in 2025.

5.1 Management Agreement- Erickson Senior Living

- Nature of Relationship & Services Provided: Windsor Run has entered into a Management and Marketing Agreement with Erickson Senior Living to provide management, marketing, and administrative services. Windsor Run pays a base management fee to Erickson Senior Living currently calculated at 5% of net occupancy fees for independent living units and 5% of net occupancy fees for healthcare units.
- Actual Cost: \$1,876,721

5.2 Central Services Agreement- Erickson Senior Living

- Nature of Relationship & Services Provided: Windsor Run has entered into a central services agreement with Erickson Senior Living allowing for the allocation of general and administrative expenses for all companies under common ownership, and CCRC entities for which Erickson Senior Living provides management services.
- Actual Cost: \$3,741,212

5.3 Development Agreement- Erickson Living Development

- Nature of Relationship & Services Provided: Windsor Run has an agreement with Erickson Living Development, LLC (“Erickson Living Development”) to build the Community. As part of this arrangement, Windsor Run pays Erickson Living Development a fee equal to 5% of the total project costs for managing the construction.
- Actual Cost: \$1,600,859

6. Relationships with Religious, Charitable, or Other Organizations

National Senior Communities, Inc.—a nonprofit organization—owns a small indirect interest in Windsor Run (through NSC Windsor Run- 10 % Member) and helps manage benevolent care programs that financially support residents in need.

Neither Windsor Run nor its controlling person, Erickson Living Holdings has a relationship with a sponsoring religious denomination, faith-based community, or educational institution. Memberships in industry organizations such as LeadingAge North Carolina are limited to networking and professional development and carry no governance authority or financial support.

7. Other Persons Responsible for Provider Obligations

Except as disclosed, no other person or entity guarantees or is responsible for the Provider's obligations.

8. Obligated Groups

Windsor Run is not a member of an obligated group.

9. Debt Covenants and Compliance

Windsor Run is a subsidiary of Erickson Living Properties. Erickson Living Properties is, in turn, owned by Erickson Living Holdings. Erickson Living Holdings is currently developing several senior living communities across multiple states.

To support these development projects—including the completion of the final buildings at the Windsor Run campus—Erickson Living Holdings is using a combination of its available cash, ongoing operating revenue, equity capital, and funds from a \$2.2 billion credit facility led by Truist Securities (“Credit Facility”). This Credit Facility is scheduled to mature on November 14, 2030. Erickson Living Holdings plans to repay the Credit Facility using its available liquidity, operating cash flow, and equity capital sources. The current outstanding availability of the Erickson Credit Facility as of 12/31/2025 is \$883,500,000.

The Credit Facility is secured by first mortgages on Erickson Living Holdings-owned properties, including the Windsor Run property. It is anticipated that the Credit Facility will be refinanced prior to its term expiration in 2030. If it is not refinanced, it is anticipated that any outstanding amounts due on the Credit Facility will be repaid upon the expiration of the term by Erickson Living Holdings using liquidity, operating cash flow and equity capital sources of Erickson Living Holdings.

Currently there are no material liabilities, litigation or other risks that may impact Windsor Run's ability to meet its financial obligations.

As of the most recent covenant testing date, Windsor Run is in compliance with all covenants contained in debt agreements.

10. Third-Party Management Arrangements

Windsor Run engages Erickson Senior Living to operate the community on a day-to-day basis under a formal management agreement.

11. Real Property Ownership and Leases

Windsor Run does not lease any part of the real property of the continuing care retirement community.

12. Endowment and Benevolent Care Funds

Windsor Run does not directly maintain endowment funds. However, endowment funds are available through National Senior Communities (the parent company of member NSC Windsor Run, Inc.) to help provide financial assistance to eligible residents who may need support.

13. Description and Location of the Community

Windsor Run sits on about 85 acres in Matthews, North Carolina, along McKee Road near the intersection with Weddington Road, located at 2030 Windsor Run Lane, Matthews, NC 28105.

Windsor Run is designed to feel like a vibrant college campus for older adults. At Windsor Run, you'll find groups of residential buildings of different sizes and styles. Some are connected with walkways and bridges, while others stand on their own. Many homes feature balconies, patios, or awnings, and are located near clubhouse-style community centers with large windows, open gathering spaces, and inviting entrances.

The Community currently offers 875 independent living residences across nine residential buildings, with a variety of floor plans to choose from. A central clubhouse provides amenities including multiple dining venues (restaurant and café), classrooms and activity rooms, community gathering spaces, a beauty salon, and an aquatic center and fitness center. There is also an on-site medical center offering care from primary care providers.

The Community includes Continuing Care at Windsor Run, the on-campus health care neighborhood. The first phase includes 7 assisted living units (10 beds) and 22 nursing care units (36 beds), including accommodations for memory care. This area offers dining rooms, lounges, activity spaces, dedicated bathing areas, on-site therapy space, and a beauty salon. Future expansion of Continuing Care will be based on market demand and community needs.

The first independent living buildings opened in May 2018. The first phase of Continuing Care opened in September 2021, adding assisted living and nursing services. Please note that construction schedules can shift based on permit approvals, planning updates, and weather-related delays.

14. Living Units by Level of Care

As of December 31, 2025, Windsor Run included:

- 705 independent living units
- 10 assisted living units
- 36 nursing units

15. Continuing Care at Home Program

Windsor Run does not offer a Continuing Care at Home Program.

16. Resident Population Served

As of December 31, 2025, the resident population served by Windsor Run under continuing care contracts were as follows:

- 937 in independent living
- 10 in assisted living
- 24 in nursing

As of December 31, 2025, the community maintained a Priority List for admission to independent living consisting of 460 individuals. Individuals on the Priority List are prospective applicants and are not residents of the community unless and until they have executed a continuing care contract and commenced residency. To be placed on the independent living Priority List, prospective applicants are required to submit a \$1,000 Priority List deposit. The Priority List is fully refundable and is not considered an entrance fee. If the applicant later enters into a continuing care contract, the Priority List deposit is applied toward the required entrance fee at that time.

Placement on the Priority List does not guarantee admission to the community or priority for a specific unit and does not create contractual rights unless expressly provided in a continuing care contract.

17. Occupancy Rates

The 12-month daily average occupancy rate, by living unit type, as of the Provider's fiscal year-end for the past five years is below.

	2021	2022	2023	2024	2025
Independent Living Unit %	96.0	98.3	98.2	92.4	95.2
Assisted Living Unit %	60	70	70	70	60
Nursing Unit %	61	80.5	77	75	77.8

18. Semiannual Resident Meetings

Windsor Run meets with residents of the community at least twice each year, as required by state regulations. These meetings give residents an opportunity to hear updates, ask questions, and stay informed about community operations.

Fiscal Year 2025 Meeting Dates

- January 16, 2025

- June 19, 2025

As required by law, an independent member of Windsor Run's governing body attended each meeting (Michael Wehrle attended both meetings).

19. Resident Property Rights

Residents do not hold ownership or property rights in the real estate of the Windsor Run Continuing Care Retirement Community. Residency and access to services are governed solely by the Residence and Care Agreement.

20. Services Provided Under the Contract

Windsor Run offers a wide array of services to its residents, depending on the setting and level of care of the resident.

20.1 Services Provided in Independent Living

In independent living, Windsor Run provides use of the selected Living Unit, a Monthly Meal Credit Plan, 24 hour on-site staff and emergency alert system, all utilities in the living unit including these cable/ telephone/ data services: basic cable television service (premium channels additional charge), local, long distance and international landline phone service, and wireless internet service, on-site Fitness Center basic membership (includes standard weekly classes as scheduled), one reserved Parking Space (note: reserved Parking Space terminates if resident no longer owns or uses a personal vehicle), general maintenance of buildings, grounds and fixtures; insurance of buildings and grounds including insurance for the living unit, including the structures and fixtures in such unit, except items owned by Resident; sewage, trash and general snow removal from common areas, use of all public rooms and common areas of the Community.

20.2 Services Provided in Assisted Living

For residents in Assisted Living, Windsor Run provides several packages for Assisted Living residents to serve different care needs. Further details on the services available at each level of Assisted Living and additional rights and obligations in Assisted Living will be set forth in the Assisted Living Addendum to the Residence and Care Agreement. The package generally includes provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating, prescription evaluation and planning, a service plan designed by a care team, medication administration, at least three meals per day, regularly scheduled Registered Nurse review and assessment, personal laundry service, weekly light house-keeping (generally includes vacuuming carpet/ floors, light dusting and wiping down bathrooms and kitchenette if available), assistance with Incontinence Care, regular social work team services related to cognitive, behavioral and safety issues, licensed nurse management of chronic/ stable conditions on a regular basis, 24 hour on-site staff and emergency alert system, all Living Unit utilities including these cable/ telephone/ data services: basic cable television service (premium channels additional charge), local, long distance and international landline phone service, and wireless internet service, enriching activities program, daily bed-making, one load of laundry per week, washers and dryers available free of charge, assistance with additional care points identified in the

holistic assessment, general maintenance of buildings, grounds and fixtures; insurance of buildings and grounds including insurance for the living unit, including the structures and fixtures in such unit, except items owned by Resident; sewage, trash removal and general snow removal from common areas, and use of all public rooms and common areas of the Community.

20.3 Services Provided in Memory Care

For residents needing Memory Care Services, Windsor Run provides packages for residents to serve different memory care service needs in designated units. Further details on the services available at each level of memory care services and additional rights and obligations in memory care services will be set forth in the appropriate memory care services Addendum to the Residence and Care Agreement. The package generally includes provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating, prescription evaluation and planning, memory care services or programming, a service plan designed by a care team, medication administration, at least three meals per day, regularly scheduled Registered Nurse review and assessment, personal laundry service, weekly light house-keeping (generally includes vacuuming carpet/ floors, light dusting and wiping down bathrooms and kitchenette if available), assistance with Incontinence Care, regular social work team services related to cognitive, behavioral and safety issues, licensed nurse management of chronic/ stable conditions on a regular basis, 24 hour on-site staff and emergency alert system, all Living Unit utilities including these cable/ telephone/ data services: basic cable television service (premium channels additional charge), local, long distance and international landline phone service, and wireless internet service, enriching activities program, daily bed-making, one load of laundry per week, washers and dryers available free of charge, assistance with additional care points identified in the holistic assessment; general maintenance of buildings, grounds and fixtures; insurance of buildings and grounds including insurance for the living unit, including the structures and fixtures in such unit, except items owned by Resident; sewage, trash removal and general snow removal from common areas, and use of all public rooms and common areas of the Community.

20.4 Services Provided in Nursing Care

For residents in Nursing Units, Windsor Run will provide the listed services. Further details on the services available and additional rights and obligations in nursing care will be set forth in a Nursing Admission Addendum to the Residence and Care Agreement. The package generally includes provision of three meals a day, tray service, individual care plans, planned activities, social work services, laundry services for linens and towels owned by Windsor Run, housekeeping, Nurse/ Resident communication system, security/safety officers on duty 24 hours, all Living Unit utilities including these cable/ telephone/ data services: basic cable television service (premium channels additional charge), local, long distance and international landline phone service, and wireless internet service, maintenance of buildings, grounds and equipment, insurance on buildings, grounds and equipment, insurance of the Nursing Unit and all items in the unit, except items owned by Resident, sewage, trash and general snow removal from common areas, and use of all public rooms and common areas of the Community.

20.5 Ancillary Services Available (not covered under Monthly Service Package fee)

Additional services that may be available to residents include meal delivery service, housekeeping and laundry service for residents in Independent Living, additional housekeeping or additional laundry service for residents in Assisted Living or Nursing Units, extra meals for residents in Independent Living (unless covered by Monthly Meal Credit as defined in the Residence and Care Agreement), guest meals, on-site Fitness Center premium services or classes, personal storage space (limited availability), second reserved parking space (limited availability), off-campus transportation within a radius determined by the Provider, catered living services and home support services.

20.6 Medical Center and Additional Services

Windsor Run currently includes an on-site Medical Center with primary care practitioners and sub-specialists. Windsor Run also contracts third parties to provide additional services such as laboratory services, medical supplies, prescription drugs, and home health, therapy or rehab services.

20.7 Services Not Provided

Windsor Run will not provide hospice care, acute hospital care, or any institutional care other than what is appropriate to provide in an Assisted Living Unit, a unit providing Memory Care Services, or a Nursing Unit, or otherwise covered under the terms of this Agreement. In addition, Windsor Run does not expect to provide short-term rehabilitative care, including therapies or services typically delivered in skilled nursing or rehabilitation facilities following an illness, injury, or surgical procedure, as these currently fall outside the scope of services offered within the Community.

21. Resident Fees

The following tables show Windsor Run's current fee schedules, along with historical information on entrance fee and monthly fee increases over the past five fiscal years. Narrative explanations of other types of fees are also included.

21.1 Current Monthly Fees

Residents pay a Monthly Service Package during the term of their residency. The amount of the Monthly Service Package depends upon the size, features, and, for Assisted Living and Nursing Units, the level of care provided within the living unit selected. If two or more Joint Residents occupy a unit together, the Joint Residents will pay only one Monthly Service Package and one double occupancy fee for each additional joint resident. If Joint Residents occupy different Living Units, both Residents shall be jointly and severally liable for the full Monthly Service Package for both Living Units. Joint Residents include residents who move to the Community together as well as residents who cohabitate after moving to the Community.

If a Resident transfers temporarily to another unit or to an outside facility, the Resident must pay the Monthly Service Package for the Resident's permanent Living Unit in addition to the Monthly Service Package for the temporary Living Unit or the Off-Site Facility, as the case may be. The Monthly Service Package for a temporary Living Unit at the Community is prorated on a daily basis for the

period of the temporary transfer. During the period of the temporary transfer, the Resident’s Monthly Service Package for the permanent Living Unit are adjusted as follows: (1) if a single Resident or one Joint Resident transfers, the Monthly Service Package will be reduced by a single Non-Occupancy Credit if applicable and defined in Section 15 of the Resident and Care Agreement, (2) if both Joint Residents transfer from a double occupancy Unit, the Monthly Service Package will be reduced by the two-person Non-Occupancy Credit if applicable, (3) if both Joint Residents transfer, one from a Living Unit and one from another Living Unit, each Resident’s Monthly Service Package shall be reduced by the respective Non-Occupancy Credit if applicable. Policies and adjustments to the Non-Occupancy Credit are made by Windsor Run in its sole discretion.

If a Resident permanently transfers from one Living Unit to another Living Unit at the Community, the Resident is responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit if applicable, for the vacated Living Unit until the Resident completely vacates, removes all possessions from the vacated Living Unit, and returns the keys for the vacated Living Unit to Windsor Run.

If the Residence and Care Agreement terminates for any reason, the Resident or his/ her representative is responsible for the payment of the Monthly Service Package for the vacated Independent Living Unit, less the Non-Occupancy Credit if applicable, for a period of up to and including ninety (90) days from the date that both of these conditions are fulfilled: (i) the Resident or his/ her representative vacates the Living Unit and removes all possessions, and (ii) the Resident or his/ her representative signs a Unit-Release Form for the Living Unit and returns the keys. If the vacated Living Unit is re-subscribed by another new resident in less than 90 days, then the Monthly Service Package will end on the Occupancy Date for that new resident. Residents who permanently reside in a Continuing Care unit at the termination of residency should check the terms of their Continuing Care Addendum for the applicable policy.

The Monthly Service Package is due and payable each month, in advance, within five (5) days from the date of the monthly statement. Each resident will receive a monthly statement from Windsor Run showing the Monthly Service Package charges and charges for any ancillary services. The Monthly Service Packages may be adjusted by Windsor Run upon 30 days written notice to the residents.

Table 21.1: Current Monthly Service Package Fees for Independent Living

Living Unit Style	Approx Square Footage	2026 Monthly Service Package Fee
1 Bedroom	800 - 1171	\$2,989 - \$3,705
2 Bedroom	1106 – 2048	\$3,638 - \$6,028
Second Person Fee		\$1,170

Table 21.2: Current Monthly Service Package Fees for Assisted Living

Care level packages, shown below, are added to the base monthly service package for the full

Assisted Living monthly fee. Care levels are determined as a result of initial and periodic resident assessments.

Living Unit Description	2026 Monthly Base Fee
Studio – Brodie Avery	From \$8,613 From \$8,355
Studio Suites	From \$8,613
One Bedroom	From \$10,277
Second Person Fee	\$2,648

Care Package Description	2026 Monthly Rate
Enhanced Care Package	\$1,357
Premium Care Package	\$2,714
Deluxe Care Package	\$4,071
Custom Care Package	\$6,134

Table 21.3: Current Monthly Service Package Fees for Nursing

Living Unit Description	2026 Monthly Base Fee
Studio – Brodie Avery	From \$8,613 From \$8,355
Studio Suites	From \$8,613
One Bedroom	From \$10,277
Second Person Fee	\$2,648
Care Package Description	2026 Monthly Rate
Enhanced Care Package	\$1,357
Premium Care Package	\$2,714
Deluxe Care Package	\$4,071
Custom Care Package	\$6,134

21.2 Increases in Monthly Fees

The Monthly Service Packages for each level of care may be revised from time to time. Windsor Run generally adjusts fees on an annual basis after having evaluated such factors that it perceives to be relevant to the costs associated with operating the Community and other financial requirements. Normally such changes will be made to become effective on January 1 of the next calendar year. However, Windsor Run reserves the right at any time with thirty (30) days' notice to independent

living residents, or sixty (60) days' notice to Continuing Care residents, to adjust the Monthly Service Packages or fees for Ancillary Services to reflect any additional cost or liability for which there is no adequate, budgeted reserve, including, but not limited to, tax liability for real estate taxes relating to the Community, increased operating expenses, and inflation. Please refer to Section 8.3 of the Residence and Care Agreement for additional information.

The subsequent tables show the frequency, average percentage increase, and average dollar amount of each increase in Monthly Services Packages in each level of care for the previous five years.

Table 21.4: Historical Increases in Monthly Fees- Independent Living

Year	Number of Increases (Frequency)	Average Increase %	Average \$ Amount Increase
2021	1	4	\$113.00
2022	1	4.2	\$123.00
2023	1	9.2	\$283.00
2024	1	5	\$168.00
2025	1	4	\$157.00

Table 21.5: Historical Increases in Monthly Fees- Assisted Living

Year	Number of Increases (Frequency)	Average Increase %	Average \$ Amount Increase
2021	1		Opened in 2021
2022	1	6.0%	\$1,075.00
2023	1	10.0%	\$803.00
2024	1	7.0%	\$685.00
2025	1	5.0%	\$885.00

Table 21.6: Historical Increases in Monthly Fees- Memory Care

Year	Number of Increases (Frequency)	Average Increase %	Average \$ Amount Increase
2021	1		Opened in 2021
2022	1	6.0%	\$1,075.00
2023	1	10.0%	\$803.00
2024	1	7.0%	\$685.00
2025	1	5.0%	\$885.00

Table 21.7: Historical Increases in Monthly Fees- Nursing Care

Year	Number of Increases	Average Increase %	Average \$ Amount Increase
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	(Frequency)	Increase	
2021	1		Opened in 2021
2022	1	6.0%	\$1,075.00
2023	1	10.0%	\$803.00
2024	1	7.0%	\$685.00
2025	1	5.0%	\$885.00

21.3 Entrance Fees

Prospective residents will pay a one-time Entrance Fee to Windsor Run. Payment of an Entrance Fee provides a resident with the lifetime use of the Living Unit and the services and amenities available at the Community as long as the Resident complies with the Residence and Care Agreement. The Entrance Fee to be paid by residents depends upon the size, features, and level of care provided in the living unit selected. The current price list is included below. Prospective residents will pay the Entrance Fee in a series of deposits generally as follows: 1) A \$1,000.00 Priority Deposit will be due when the prospective resident first submits an application for an actual living unit or to join the waiting list for a living unit at Windsor Run; 2) An additional \$4,000.00 Reservation Deposit will be due when the prospective resident reserves a unit type in a particular residential building which deposit may be paid in two installments; 3) A Signing Deposit, bringing the total to 10% of the total Entrance Fee, is due when resident signs the Residence and Care Agreement; and 4) A Final Deposit, which is the remainder of the Entrance Fee after the prior deposits are paid, is due when the resident takes possession of the living unit.

At its sole discretion, Windsor Run may offer residents a short-term option for payment of the Entrance Fee with a promissory note. The promissory note is typically used for a short-term loan for a delayed home sale. The form of the promissory note is included in Schedule II of the Residence and Care Agreement.

The below tables outline the current entrance fees for Windsor Run residents.

Table 21.8: Current Entrance Fees in Independent Living

Living Unit Style	90% Refund Entrance Fee	Declining Balance Refund Entrance Fee
1 Bedroom	\$280,000 - \$481,000	\$195,000 - \$337,000
2 Bedroom	\$423,000-\$1,149,000	\$297,000 - \$805,000
Second Person Fee	n/a	n/a

The Living Units include additional half or full bathrooms and some may include a den.

Table 21.9 Current Community Fee for Direct Admissions to Assisted Living, Memory Care, Nursing

Residents who directly admit from outside the Community to Assisted Living, Memory Care, or Nursing Care shall pay a one-time, non-refundable Community fee as outlined below.

Level of Care	Community Fee (non-refundable)
Assisted Living Unit	\$2,500
Memory Care Unit	\$2,500
Nursing Unit	\$2,500

Table 21.10: Historical Increase in Entrance Fees

Year	Contract Type	Number of Increases (Frequency)	Average % Increase	Average Amount Increase \$
2021	90% Refund Entrance Fee	1	5.4	\$17,796
	Declining Balance Refund Entrance Fee	1	5.4	\$12,457
2022	90% Refund Entrance Fee	1	4.1	\$14,568
	Declining Balance Refund Entrance Fee	1	4.1	\$10,197
2023	90% Refund Entrance Fee	1	10.4	\$37,891
	Declining Balance Refund Entrance Fee	1	10.4	\$26,523
2024	90% Refund Entrance Fee	1	8.0	\$40,230
	Declining Balance Refund Entrance Fee	1	8.0	\$28,161
2025	90% Refund Entrance Fee	1	9.0	\$39,838
	Declining Balance Refund Entrance Fee	1	9.0	\$27,886

21.3.1 Escrow of Entrance Fee.

Prior to occupancy, all Entrance Fees paid by a resident to Windsor Run will be placed in an escrow account with a bank or other escrow agent. Funds held in escrow are the property of prospective residents until released to Windsor Run. Any interest earned on funds in the escrow account will be for the benefit of Windsor Run. On the date that the resident either occupies the unit or the unit is available for immediate occupancy by the resident, the escrow agent may release the Entrance Fee for that unit from the escrow account to Windsor Run. Escrow funds will be invested in an interest-bearing account.

Prior to occupancy, deposits in escrow will be returned by the escrow agent to the prospective resident in the following circumstances: (i) within 30 days of the written request of the prospective resident; (ii) if the prospective resident dies before occupying a unit; (iii) if the prospective resident is determined to be ineligible for entrance into the Community or due to the prospective resident's

illness, injury, or incapacity that would preclude the applicant from occupying a living unit as well as upon death; or (iv) upon rescission of the Residence and Care Agreement pursuant to the terms of the Residence and Care Agreement. If the resident rescinds the Residence and Care Agreement within the 30 day period, Windsor Run will refund 100% of the Entrance Fee to the resident. If the resident or Windsor Run terminate the Residence and Care Agreement after the 30 day rescission period and prior to occupancy, the Entrance Fee is still partially refundable per the terms of the Residence and Care Agreement.

As new buildings are developed, the Escrow Agent may release 25% of escrow monies to Windsor Run when 50% of independent living units in a building are pre-sold, permanent financing is secured, if applicable, and entrance fees plus proceeds of financing equals 90% or more of the costs to construct and equip the facility and provide cash flow funds equal 90% or more of funds needed to fund start-up losses and assure full performance of obligations. The remaining seventy-five (75%) percent of funds for a building can be released to Windsor Run when 70% of independent living units are presold, having received a minimum ten percent (10%) deposit, or has maintained an independent living unit occupancy minimum of seventy percent (70%) for at least 60 days, construction is complete and units available for occupancy.

When deposits are released to Windsor Run after occupancy and the expiration of the right of rescission, residents who sign the 90% Refund Residence and Care Agreement will receive the 90% Refund Amount as described in the Residence and Care Agreement. Residents who sign the Fully Declining Refund Residence and Care Agreement may receive a declining refund as described in the Residence and Care Agreement.

21.4 Household Composition Changes

Joint Residents who occupy the same Living Unit pay one Entrance Fee and also pay the Monthly Service Package for the selected Living Unit and the double occupancy fee. If two current single residents marry or otherwise co-habitate, they will then be treated as Joint Residents and will pay the fee structure described above. If during the term of residency, the Resident marries or co-habitates with a person who is not a resident of the Community, the new spouse or other proposed co-resident will be required to meet the Community's financial and health-related qualifications for entrance into the Community. If accepted, the fee structure for Joint Residents described above will apply for the new Resident. If the spouse or proposed co-resident is not accepted by Windsor Run, the Resident may terminate the Residence and Care Agreement in accordance with applicable provisions.

21.4 Fees Upon Transfer

The Entrance Fee paid by a resident will normally not increase or decrease during residency unless the resident moves to a living unit with a higher Entrance Fee than the unit previously occupied by the resident. If the resident requests a permanent transfer from one Living Unit to another Living Unit with a higher Entrance Fee and Windsor Run approves the transfer, the resident will pay an additional deposit for the new Living Unit. The amount of the additional deposit will vary, depending on market conditions for the resident's current Living Unit and for the desired new Living Unit at the time of the transfer and may be a full second Entrance Fee. Windsor Run will advise the resident of the additional deposit prior to the transfer and the resident may then decide whether or not to proceed with the transfer. For residents with a 90% refund Care Agreement, ten percent (10%) of the

additional deposit paid will be added to the Community Fee (see Residence and Care Agreement) and will be non-refundable. For residents with the Fully Declining Refund Care Agreement, the new deposit will be presumed to have been paid on the original occupancy date for that resident and subject to the same amortizing schedule. Residents are normally not entitled to a refund or decrease of the Entrance Fee due to any temporary or permanent transfer, for whatever reason, during the Term of the Agreement. However, Windsor Run may make a partial refund of the Entrance Fee, minus the Community Fee, in the following circumstances: 1) the Resident transfers to a smaller Independent Living Unit than the Independent Living Unit currently occupied; and 2) the Entrance Fee for the smaller Independent Living Unit is currently lower than the Entrance Fee paid for the original Independent Living Unit. In these specific circumstances, in its discretion Windsor Run may elect to refund the difference between the current Entrance Fee for the new Independent Living Unit and the original Entrance Fee paid but minus the Community Fee.

21.5 Ancillary Fees

The resident may be charged fees by Windsor Run for ancillary services. Ancillary fees are used by Windsor Run to offset the cost of performing the ancillary services. The amount of the ancillary fee depends upon the additional services selected. Payment for ancillary services is generally due in arrears the month after services are rendered.

Ancillary fees are not escrowed by Windsor Run. Fees for ancillary services which are actually rendered are not refundable. The ancillary fees may be adjusted by Windsor Run upon 30 days written notice to the residents.

The Current Ancillary Fee Schedule is shown in the table below.

Table 21.11 Ancillary Fee Schedule

Service	2026 Rate
Non-Occupancy (Independent Living) Credit for Absences per resident, per day (starting on 31st consecutive night)	\$12.00
Note: the Non-Occupancy Credit does not apply to residents in Assisted Living, Memory Care or Nursing Care.	
Additional Mailbox Key	\$15.00
Additional or replacement Living Unit Badge	\$25.00
Badge for Resident Family & Friends Program	\$25.00
First Car Reserved Parking Space (Ind. Living) (resident registered car only)	No. Add. Fee
Second Car Reserved Parking Space (Monthly if available) (resident registered car only)	\$75.00
Reserved Carport parking (Monthly if available) (resident registered car only)	\$50.00
Storage Bin (Monthly if available)	\$15.00
Maintenance Service per hour	\$56.00
Grounds Service per hour	\$56.00
Housekeeping per hour	\$50.00
Computer Services (first 30-minutes)	\$50.00
Each additional 15 minutes	\$18.00
Catered Living Care Fee	\$7,900.00
Non-Care Second Person Fee	\$500.00
Emergency Pendant (1-time fee)	\$50.00
Emergency Pendant Monthly Fee	\$25.00
Emergency Pendant Replacement	\$35.00
Wheelchair Escorts (one way)	\$10.00
Wheelchair Escorts (round trip)	\$20.00
Guest Suite (Per Night)	\$130.00
Premium TV Service	No add Fee
Personal Training 30 minute	\$20.00
Personal Training 30 minute – in Living Unit	\$25.00
Personal Training five 30 minute sessions package	\$85.00
Personal Training ten, 30 minute sessions package	\$150.00
Specialty Class (charged monthly)	\$16.00

Service	2026 Rate
Erickson Balance Class	\$50.00
Virtual Fitness Programs (digital)	Included
Specialty Health Club Group Fitness Classes	Additional Fees Apply
Meal Delivery	\$7.00
Sales Tax	When Applicable

Ancillary fees in Continuing Care are available on request.

21.6 Application Fee.

Prospective residents will pay a one-time application fee to Windsor Run. This fee is used to offset the costs of performing financial and health screenings and other paperwork requirements for the prospective resident. Upon submitting an application for residency in Windsor Run, each prospective resident must pay an application fee of \$150.00. Application fees collected from applicants will not be escrowed by Windsor Run. If the Residence and Care Agreement is canceled or rescinded prior to occupancy (See Section D.3 (a) below), the Provider may retain the application fee as a reasonable service charge.

21.7 Customized Improvements Charge.

Prospective residents who desire to make customized improvements to a unit prior to moving in will pay a charge to Windsor Run for such improvements. This fee is used to offset the cost of material and labor for installing the specified improvement to the unit. The cost of any customized improvement to a unit will depend upon the improvement desired, including labor charges, and will be payable at the time of signing an agreement to install such improvements with Windsor Run. Fees paid for improvements to a unit will not be escrowed and will not be refunded.

22. Refundable Entrance Fee Obligations

The following sections describe how the Entrance Fee is refunded after occupancy and the expiration of the right of rescission:

22.1.1 Conditions for Refund of Entrance Fee (Declining Balance Refund Model)

If, after the 30-day rescission period and within the first forty-eight (48) months following the Occupancy Date, the Agreement is terminated (i) by all Residents, (ii) due to the death of a single Resident or both Joint Residents, or (iii) due to the death of one Joint Resident followed by termination by the surviving Joint Resident, Windsor Run will refund an amount equal to the Entrance Fee, less: (a) a processing fee of 4% of the Entrance Fee; and (b) 2% of the Entrance Fee for each month after the Occupancy Date, including the final (even partial) month. If a refund is due under the provisions above (other than termination by the Community), Windsor Run will pay the refund within 180 days after the resident or representative vacates the Living Unit(s) and returns all keys, including for any parking or storage spaces.

If the Community terminates the Agreement for good cause, Windsor Run will pay any applicable refund on the Departure Date, based on the resident's months of residency, less reasonable offsets as described in the Agreement. Any retained funds not used for such purposes will be refunded within 45 days after the resident vacates and returns all keys.

If the Agreement terminates more than forty-eight (48) months after the Occupancy Date, whether due to resident election, Community termination, or death, no portion of the Entrance Fee will be refunded.

If a refund is owed per above, payment will be made to the designated beneficiaries or, if none, to the resident (or the resident's estate if deceased). If one Joint Resident dies, no refund is paid at that time; the Entrance Fee is deemed paid on behalf of the surviving resident, and any eventual refund will be paid to the surviving resident, the survivor's beneficiaries, or the survivor's estate.

22.1(b) Conditions for Refund of Entrance Fee (90% Refund Model)

Refund Account structure and eligibility.

Windsor Run maintains a Refund Account to fund the 90% refund under the Agreement. The Refund Account is a ledger funded by all or a portion of Entrance Fees paid by new residents for previously occupied Independent Living Units, after expiration of the new resident's rescission period.

Upon termination of the Agreement for any reason, the Resident (or representative) must promptly: (i) vacate the Living Unit(s) and remove all possessions, (ii) return all keys (including for any parking or storage spaces), (iii) sign a Unit Release, and (iv) pre-approve and pay the final bill. If the Resident occupied multiple units, all must be vacated and released. Once these steps are completed, Windsor Run assigns a refund number. Refunds are paid from the Refund Account in sequential order based on assigned refund numbers. A Resident becomes eligible for payment of the 90% Refund Amount when (i) their refund number is next in sequence and (ii) sufficient funds are available in the Refund Account to fully pay the refund. The Refund Account is funded only as new Entrance Fees are received (and rescission periods expire). Windsor Run will continue making refunds as funds become available and may temporarily suspend payments if insufficient funds exist to pay the next refund in sequence.

Windsor Run will pay the 90% Refund Amount within sixty (60) days after the Resident becomes eligible for payment from the Refund Account. Payment will be made to the Resident's designated beneficiaries or, if none, to the Resident (or to the Resident's estate if deceased). If one Joint Resident dies, no partial refund is paid at that time. Instead, the Entrance Fee (minus any Community Fee) is deemed paid on behalf of the surviving resident for the survivor's continued residency and care. Any eventual refund will be paid to the surviving resident, the survivor's designated beneficiaries, or the survivor's estate.

22.2 Refund Obligations as of December 31, 2025

Category of Refunds (as of the 12/31/2025)	# of Refunds	\$ Dollar Amount
Refunds for which all contractual conditions have been satisfied but payment is not yet due under the contract.*	1	\$342,132
Refunds currently due (including amounts 30+ days past due)	0	0
Residents no longer residing in Independent Living Unit- unit not re-subscribed**	0	0
Residents no longer residing in Independent Living Unit- unit re-subscribed**	1	\$342,132

As of December 31, 2025, Windsor Run had \$342,132 in total refundable entrance fee obligations. No refunds were contractually due or past due at year-end. Obligations will be satisfied in accordance with the terms of the Residence and Care Agreements; however, the timing of refund payments depends on the pace of independent living unit turnover and resale activity.

*As of December 31, 2025, one refund was due under the 90% contract model. Because refunds under this model are paid in sequential order, only one resident is eligible to receive a refund at a given time, based on their position in the refund queue. No refunds were due under the Declining Balance contract model as of December 31, 2025.

**This information is provided in accordance with North Carolina’s CCRC requirements. As explained in Section 22 of this Disclosure Statement, the refund obligation associated with the Entrance Fee is not tied to the re-occupancy or re-subscription of a specific Living Unit.

23. Financial Hardship Policies

23.1 Policies for Residents Unable to Pay

It is the policy of the Community not to terminate a resident’s occupancy for the resident’s financial inability to pay provided that the resident is otherwise in compliance with the terms of the Residence and Care Agreement. The Community has endowment funds available through National Senior Communities (the parent company to member NSC-Windsor Run, Inc.). The funds are available to provide financial assistance to qualified residents.

To the extent that it is financially feasible, the Community will assist residents who are unable to pay full Monthly Service Packages. The Community requires that, in the event that Resident claims to be unable to make full monthly payment by reason of financial inability, Resident must take any or all of the actions listed below:

- (a) The Resident must take any or all of the following actions, as directed by the Executive Director. To qualify for assistance, a resident must otherwise be in compliance with the terms of such resident's Residence and Care Agreement.
- (b) The Resident must file with the Executive Director, on appropriate forms provided by the Executive Director, a Statement of Financial Inability to Pay. As part of the Statement of Financial Inability, the Resident must disclose remaining available assets and income. The Executive Director will review the financial position to determine the existence of any outside assets, including any guaranty agreements, which may first be spent for the Resident's care.
- (c) If the Resident has outside assets other than the Entrance Fee, the Executive Director will establish a Spending Plan for the Resident to spend the outside assets and to obtain assistance from other available means. As part of the Spending Plan, the Resident shall assign to Provider any health-related insurance benefits and any benefits under any governmental insurance or assistance program (including Medicare), until the amount the Provider receives equals the aggregate charges for the care and services that the Resident has received from the Provider, based upon the Community's standard rates. If the Resident fails to cooperate with the Spending Plan for the outside assets, such failure may constitute good cause for termination of the Agreement due to non-payment of fees per Section D.3(c) below.
- (d) For residents who have a 90% Refund Residence and Care Agreement, after the Resident completes the Spending Plan or if there are no available assets other than the Entrance Fee, the Provider will spend-down an amount up to the Entrance Fee minus the Community Fee. After depletion of outside assets, the Entrance Fee (less the Community Fee) is considered available for the Resident's maintenance and support to pay any and all fees at the Community. For residents who have a Fully Declining Refund Residence and Care Agreement, spend-down of the Entrance Fee is not available.
- (e) If requested by the Provider, the Resident will transfer to an alternate Living Unit at the Community if and when available.
- (f) The Resident will provide periodic statements of financial condition and copies of income tax returns as the same may be requested from time to time by the Provider and will notify the Provider of any and all assets acquired through any means thereafter, and will assign or pay such property received to the Provider in an amount equivalent to the total outstanding charges and fees, owed by the Resident.
- (g) Upon completion of the Spending Plan (including spend-down of the Entrance Fee or fully earning the Entrance Fee for a Fully Declining Refund Residence and Care Agreement), the Resident may qualify for assistance from the resident benevolent care fund and to the extent that it is financially feasible. If a Resident is approved for such assistance, the Executive Director shall inform the Resident of the amount which the resident care fund will contribute to the monthly fees and the amount which the Resident must contribute to the Monthly Service Package.

- (h) The Provider is not currently authorized to accept Medicaid for payment of Monthly Service Packages for any Living Units. If in the future the Provider is able to accept Medicaid as a payment source, then the Resident agrees to also apply for Medicaid if he/ she can qualify.

24. Contract Cancellation and Refund Policies

24.1 Termination Within Rescission Period or Prior to Occupancy.

The Residence and Care Agreement may be rescinded regardless of occupancy or terminated prior to occupancy in the following circumstances: (1) Resident rescinds the Residence and Care Agreement within the later of thirty (30) days of receipt of the Disclosure Statement or execution of the Residence and Care Agreement (Resident is not required to move into the Living Unit before the expiration of the later thirty (30) day period); or (2) the Residence and Care Agreement is automatically canceled if Resident dies before occupying the Living Unit or is precluded from occupying the Living Unit as a result of illness, injury or incapacity; or (3) Windsor Run elects to terminate the Residence and Care Agreement prior to occupancy if it is determined that Resident is ineligible for entrance into the Community.

If the Residence and Care Agreement is rescinded or terminated as described in this Section 24, Resident shall receive a refund of the Entrance Fee paid, but will not receive a refund of the \$150.00 Application Fee. Resident shall not receive a refund of any costs specifically incurred by Windsor Run at Resident's request as set forth in a separate written addendum, signed by both parties. Resident shall not receive a refund of any Monthly Service Package related to actual occupancy of the Living Unit.

24.2 Termination by Resident.

After occupancy and after expiration of the rescission period described in Section 12.1 of the Residence and Care Agreement, Resident may terminate the Residence and Care Agreement at any time and for any reason by giving 60 days' notice to Windsor Run of his or her intention to terminate.

24.3 Termination by Windsor Run.

A decision by Windsor Run to terminate the Residence and Care Agreement shall be made by the Executive Director of the Community. Windsor Run may not terminate the Agreement without good cause. "Good Cause" is defined as: i) Non-payment of Fees; ii) Proof that the Resident is a danger to himself/herself or others as determined by the Executive Director and Medical Director (or their designees) in writing; iii) Repeated conduct by the Resident that interferes with other Residents' quiet enjoyment of the Community; iv) Persistent refusal to comply with reasonable written rules and regulations of the Community; v) A material misrepresentation made intentionally or recklessly by the Resident in his or her application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and service under the Residence and Care Agreement; or vi) A material breach by the Resident of the terms and conditions of the Agreement.

Except for termination due to non-payment of fees, Windsor Run will give Resident sixty (60) days written notice of the termination and the reason for termination. In the event of non-payment of fees, Windsor Run will give written notice to the Resident that the Resident is in default under the Residence and Care Agreement for non-payment of fees. Windsor Run may charge Resident interest on the overdue amount of one and one-half percent (1 1/2%) per month. If Resident fails to make full payment of all outstanding fees and charges within thirty (30) days of receipt of the notice, Windsor Run may, at its election, either terminate the Residence and Care Agreement upon an additional thirty (30) days' notice or may require a spend-down of the Entrance Fee, in accordance with the Community's spend-down procedures as generally set forth in Section 10 of the Residence and Care Agreement, to offset the overdue fees and charges. Acceptance by Windsor Run of partial payment of the fees does not constitute a waiver of the outstanding fees and charges unless Windsor Run agrees to a waiver in writing.

24.4 Vacating the Living Unit.

Upon termination of the Residence and Care Agreement either by election of Resident, election of Windsor Run, or due to the death of the Resident, Resident or his or her representative shall sign and give to Windsor Run a Unit Release form, advising Windsor Run of the Departure Date for the Resident. Resident or his or her representative shall then be responsible to vacate the Living Unit and to remove all personal possessions from the Living Unit. Windsor Run shall have the right to show the Living Unit to interested applicants as of the date indicated in the Unit Release Form.

If Resident fails to vacate the Living Unit by the indicated Departure Date or, in the event of a termination by Windsor Run, within the required time from the notice of termination as provided in Section 12.3 of the Residence and Care Agreement, Windsor Run shall have the right to store the Resident's possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at Resident's expense until disposition can be made. Windsor Run assumes no responsibility for Resident's stored possessions

25. Re-Occupancy of Living Units

Units may be resubscribed after the prior resident permanently vacates the living unit.

26. Resident Transfers and Relocation

26.1 Transfer at Resident's Election.

A Resident may elect to transfer, on a temporary or permanent basis, to an alternate Independent Living Unit, an Assisted Living Unit, Nursing Unit or an Off-Site Facility by giving notice to Windsor Run. All transfers within the Community shall be subject to the availability of the elected alternate Living Unit and subject to Windsor Run's approval which may include a financial review.

26.2 Non-Emergency Transfer at Windsor Run's Election.

All decisions regarding a transfer of any resident, except for emergency transfers, shall be made by a committee consisting of the Executive Director (or his or her designee) and the Medical Director (or his or her designee) (collectively referred to as the "Committee"). The Committee will consult with Resident or his/ her legal representative and with a Guarantor or ombudsman, if requested. Windsor

Run attempts to interact with Resident / representative with the goal of achieving a consensus on the need for a transfer although a consensus is not always achieved. A Resident will not be transferred, temporarily or permanently, to a different Living Unit unless (1) in the opinion of the Committee, such transfer is deemed appropriate for the protection of the Resident's health and/or safety or the general and/or economic welfare of other residents, (2) in the opinion of the Committee, the transfer is deemed necessary due to financial inability to pay the Monthly Service Package, or (3) in the case of a permanent transfer to an Off-Site Facility that provides treatment for mental disorders, the need for such transfer is certified by two physicians or one physician and one psychologist. If the transfer is due to event (1) or (3) listed above and the Living Unit is occupied by a Joint Resident, the remaining Joint Resident may continue to occupy the Living Unit. The Committee shall give thirty (30) days advance written notice of the proposed transfer. The Resident/ representative shall notify Windsor Run of any objection to the permanent transfer within ten (10) days of receipt of the notice. If the Resident/ representative do not consent to the transfer, the Committee may, in its discretion and in lieu of a transfer, require Ancillary Services be provided. If the Resident/ representative do not consent to either the transfer or the provision of Ancillary Services, Windsor Run may consider such refusal to constitute good cause to terminate the Agreement.

26.3 Emergency Transfer at Windsor Run's Election.

If the Resident's health and safety or the health and safety of other residents require immediate action, the Executive Director with the approval, if reasonably obtainable, of the Medical Director, may transfer the Resident from the current Living Unit to a different Living Unit or an Off-Site Facility, on a temporary or permanent basis. Emergency circumstances arise when there is a danger of immediate, irreparable harm to the Resident's health and safety or to the health and safety of other people at the Community. In the event that the Resident is required to be transferred to Continuing Care at Windsor Run during a period that he/ she is suffering from legal incompetency, the Resident agrees to be bound by the terms of the Agreement in effect at the time of such transfer.

27. Admission and Continuation Standards

From a financial standpoint, Windsor Run generally requires that a prospective resident have a net asset value being sufficient to pay 35 months of a blended rate based on projected fees in the Continuing Care Units and also monthly income of 1.4 times the Monthly Service Package for the desired living unit. If the prospective resident is not able to financially qualify, Windsor Run may consider a guaranty to financially qualify the resident by guarantying payment to Windsor Run in the form of additional assets or income. The guaranty is an addendum to the Residence and Care Agreement and sample forms are included in Schedule II of the Agreement.

Windsor Run will also review the prospective resident's profile and will conduct a pre-residency meeting with the prospective resident. Pre-residency meetings are meant to assist Windsor Run in determining the appropriate care and services to support the prospective resident, whether independent living, assisted living, or nursing care. If Windsor Run does not have an appropriate level of care for the individual, it will so inform the applicant and will refund any portions of the Entrance Fee paid. In the event an applicant's health status or financial situation changes between entering into the Residence and Care Agreement and initial occupancy at Windsor Run, Windsor Run reserves the right to review the changed circumstances and reconsider admission.

28. Age and Insurance Requirements

In order to become a resident, an applicant must be 62 years of age or older.

According to the Residence and Care Agreement, residents are also responsible for procuring and maintaining Medicare insurance, Parts A and B and for Medigap insurance. Residents are also responsible for their own funeral arrangements. Windsor Run does not assist with such arrangements. Residents must also purchase renter's insurance to cover their personal property within their designated living unit, including liability insurance.

29. Reserve Funding and Refund Security

In accordance with the provisions set forth in the North Carolina Continuing Care Retirement Communities Act, Windsor Run maintains reserves in an amount equal to 12.5 percent of the total operating costs of the facility projected for the 12 month period following the period covered by the most recent Disclosure Statement filed with the Department of Insurance. The amount will be calculated per agreement with the Insurance Commissioner. Until such time as the Provider achieves positive cash flow, the source of these reserve funds shall be funding from one of the owners, Erickson Living Holdings, LLC. The reserve funds for the current projection are \$5,505,500 and will be secured by a surety bond held by the North Carolina Department of Insurance. The operating reserve shall only be released upon the submittal of a detailed request from the provider or facility and must be approved by the Commissioner. Such requests must be submitted in writing for the Commissioner to review at least 10 business days prior to the date of withdrawal. Investments for Windsor Run will be managed by the Treasurer for the company.

30. Expansion and Renovation Plans

Below is the anticipated construction schedule of the Community (as of the Date of this Disclosure Statement) reflecting the addition of the second Continuing Care neighborhood. Although this is a projected schedule, construction will progress in response to market demand and is subject to delays for weather, licensing approval, etc.

Building Name	Projected Start Date	Projected Completion Date
Continuing Care Phase 2	May 2028	July 2030

31. Audit Opinion and Timeliness

The financial statement of Windsor Run was audited by RSM US LLP.

- **Timeliness:** The audit was completed and issued within 150 days of fiscal year-end, meeting statutory requirements.
- **Audit Opinion:** The independent auditor issued an unqualified opinion (a “clean” audit opinion) on the financial statement.

Audited financials are included as Appendix A.

32. Audited Financial Statements

The audited financial statement of Windsor Run for the fiscal year ended December 31, 2025, is attached hereto as Appendix A and forms an integral part of this Disclosure Statement. This statement includes the balance sheet, statement of operations, statement of cash flows, and accompanying notes, and has been prepared in accordance with generally accepted accounting principles (GAAP).

33. Five-Year Prospective Financial Statements

The five-year prospective financial statements of Windsor Run are attached hereto as Appendix B. These statements were prepared and compiled by Forvis Mazars, and include a summary of significant assumptions and accounting policies.

34. Variances from Prospective Financial Statements

For the fiscal year ended December 31, 2025, management reviewed the results of operations for Windsor Run against the prospective financial statement filed in the prior year. Material variances are explained below.

Category	Actual Amount*	Projected Amount*	Variance*	Explanation
Assisted Living & Nursing Revenue	4,656	4,170	486	Higher occupancy in Assisted Living and Nursing than anticipated
Professional & Contracted Services	7,683	2,884	4,799	Expenses were recategorized due to internal GL restructure and to align with the audit for new regulation purposes.
Administrative & Other Expenses	10,445	14,197	(3,752)	Expenses were recategorized due to internal GL restructure and to align with the audit for new regulation purposes.
Interest Income	427	142	285	Interest earnings on escrow accounts
Interest Expense	(246)	(961)	715	Interest expense on working capital funding was lower as the units placed in service were occupied on a faster pace than expected and less working capital funds were needed.
Contributions	55,670	-	55,670	Contributions are funding construction occurring in 2025
Distributions	(34,797)	-	(34,797)	Distributions are made in accordance with the operating agreement

*in thousands

35. Key Financial Metrics

This section presents the eight statutory financial ratios required under N.C. Gen. Stat. § 58-64A-150(a)(39). Historical values are based on audited financial statements; prospective values are derived from the provider’s five-year prospective financial statements. Comparative statewide medians will be published by the North Carolina Department of Insurance beginning in late 2026. For the tables below, FY = the most recent fiscal year end. Full statutory text of definitions is provided in Appendix E.

35.1 Liquidity Ratios

Days Cash on Hand (DCOH). Number of days the provider (obligated group) could pay its normal cash operating expenses using unrestricted cash and investments. More days generally means stronger liquidity.

Cushion Ratio (CUSH). Number of times unrestricted cash and investments could cover one year of debt service. Higher values mean more resources to pay debt service.

Table 35.1: Liquidity Ratios

Ratio	FY-2023	FY-2024	FY-2025	FY+1	FY+2	FY+3
DCOH	127	20	27	25	24	23
CUSH	N/A	N/A	N/A	N/A	N/A	N/A

Windsor Run is a multi-phase community in continuous construction since 2018. Days cash on hand has remained stable and all obligations are being met.

35.2 Profitability Ratios

Operating Ratio (OR). Compares current operating expenses (excluding depreciation and amortization) to current operating revenues (excluding entrance fee amortization). Lower percentages mean operating revenues are more easily covering cash operating expenses.

Net Operating Margin (NOM). Shows the result from core resident services. Higher values mean a stronger operating result from resident services.

Adjusted Net Operating Margin (NOM-A). Shows the operating result after also counting net entrance fee cash received during the year. Higher values mean the result is improved when net entrance fee cash is included.

Table 35.2: Profitability Ratios

Ratio	FY-2023	FY-2024	FY-2025	FY+1	FY+2	FY+3
OR	110.4%	103.6%	102.3%	95.8%	93.8%	91.4%
NOM	(3.2%)	0.3%	(2.8%)	4.1%	6.1%	8.6%
NOM-A	12.2%	7.6%	12.3%	20.8%	24.7%	29.0%

The majority of the independent living units were placed in service during the current fiscal year and the remaining two buildings were placed in service in 2026. As the units become occupied, operating ratios more easily cover operating expenses. Lower turnover of units occurs in the early years. As the community matures additional turnover of units enhances NOM-A.

35.3 Capital Structure Ratios

Debt Service Coverage (DSCR). Measures ability to pay annual debt service from operations and net entrance fee cash. Higher values indicate greater ability to pay debt service.

Unrestricted Cash & Investments to Long-Term Debt (CD). Compares unrestricted cash and investments to long-term debt. Higher values indicate more unrestricted cash and investments relative to debt.

Capital Expenditures to Depreciation (CED). Indicates reinvestment relative to depreciation expense. Values at or above 1.0x usually mean the provider is reinvesting enough to keep up.

Table 35.3: Capital Structure Ratios

Ratio	FY-2023	FY-2024	FY-2025	FY+1	FY+2	FY+3
DSCR	N/A	N/A	N/A	N/A	N/A	N/A
CD	N/A	N/A	N/A	N/A	N/A	N/A
CED	.37	.41	.27	.32	.24	.21

Windsor Run is a new community with minimal need for replacement capital expenditures. Depreciation continues to increase as a percentage of minimal routine capital replacement expenditures.

35.4 Overall Summary

Windsor Run’s financial ratios will continue to improve as the community matures. Projected performance indicates financial stability, and Windsor Run will continue to meet its current obligations. Windsor Run has been constructed without the need for long-term debt, thereby enhancing its financial strength.

36. Actuarial Opinion and Balance

Windsor Run is exempt from the actuarial study requirement pursuant to N.C. Gen. Stat. § 58-64A-210(2025).

37. Most Recent Department Examination Report

The North Carolina Department of Insurance has not conducted an examination of Windsor Run pursuant to Article 64A of the North Carolina General Statutes.

38. Other Material Information- Specific Community Policies

38.1 Rules.

Windsor Run has the right to promulgate reasonable rules and regulations governing the conduct of the residents. Residents enjoy the fullest measure of independence consistent with their

accommodation, subject, however, to the limitations of the Community's reasonable rules and regulations now or hereafter adopted for the conduct and care of all residents including those in the Resident Handbook which residents acknowledge receiving. Residents agree to abide by all such rules and regulations, and generally to conduct themselves in such a manner as to promote the peace and harmony of the Community. Residents accept Windsor Run's ability and authority to enter the Living Unit in order to carry out the purpose and intent of the Residence and Care Agreement including (1) performance of authorized housekeeping duties; (2) response to medical emergencies; (3) responses to fire protection systems; (4) entry by authorized personnel in the event that a Resident is reported missing or have not responded to a call; (5) scheduled maintenance activities; (6) to fix, repair, maintain or update building elements in common which would include plumbing, drywall, electrical system, HVAC or similar and (7) enforcement of the Community's policies and procedures. Windsor Run acknowledges and respects the Resident's right to privacy and agree to limit uninvited entry into the Living Unit at the Community to the situations set forth in this paragraph.

38.2 Unauthorized Transfers of Property.

The financial information which a Resident submitted is a material aspect upon which Windsor Run reasonably relied in determining the qualifications for becoming a resident of the Community. Being able to meet the financial criteria to become a resident helps assure the financial stability of this Community. In determining financial criteria for residency, Windsor Run considers the applicant's reported income and assets in light of the Community's current and future commitments and obligations. Furthermore, Windsor Run will take every reasonable step to assist residents who have depleted those assets through normal living expenditures so that he or she may continue to remain as a resident of the Community. However, in order to protect the Community from a situation wherein a resident divests him/herself of those assets for the purpose of qualifying for assistance or reduction of Monthly Service Packages, the Resident agrees not to divest himself/ herself of, to sell, or transfer any assets or property interests (excluding expenditures for normal living expenses) that reduces the assets that the Resident or his/ her representative disclosed as available assets for Resident on admission, without having first obtained the Community's written consent.

38.3 Non-Smoking Policy.

The Resident must agree to abide by the Community's prohibition against smoking, e-smoking or vaping in the Living Unit, including balconies or patios, and in common areas. Resident guests, or contractors are also prohibited from smoking, e-smoking or vaping in the Living Unit or in the common areas of the Community. Failure to abide by the non-smoking policy may be viewed as cause to terminate the Residence and Care Agreement.

38.4 Refurbishing Charges.

Each time that a resident permanently vacates an Independent Living Unit or Assisted Living or unit providing Memory Care Services, irrespective of the length of time of occupancy, Windsor Run will perform work to clean, refurbish, and restore that Living Unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in the sole discretion of Windsor Run, to bring the Living Unit

back to a like-new condition. The reasonable costs and expenses of this work (the “Refurbishing Charges”) are charged to and paid by the resident but in some situations, Windsor Run will cover some or all of the Refurbishing Charges for the Living Unit. The amount of the Refurbishing Charges will vary depending on the type of extraordinary damage incurred. Refurbishing Charges are not escrowed and are not refunded by Windsor Run and may be adjusted by Windsor Run. The sections below describe when the resident is responsible for Refurbishing Charges and what portions are covered by Windsor Run:

- If the Resident first entered the Community in an Independent Living Unit and then permanently transfers from that Independent Living Unit to an Assisted Living, to a unit providing Memory Care Services or to a Nursing Unit, Windsor Run will cover any portion of the Refurbishing Charges for work that is due to ordinary wear and tear. The Resident will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. The Resident must also pay the reasonable costs and expenses of removing any customized improvements that he/ she made to the Living Unit unless Windsor Run specifically agrees in writing to accept those improvements for re-subscription to a new resident.
- If the Resident first entered the Community in an Independent Living Unit and then permanently leaves the Community from an Independent Living Unit, Windsor Run will cover the Refurbishing Charges for work that is due to ordinary wear and tear. The Resident will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit, or removing customized improvements. The Resident must also pay the reasonable costs and expenses of removing any customized improvements that he/ she made to the Living Unit unless Windsor Run specifically agrees in writing to accept those improvements for re-subscription to a new resident.
- If the Resident transfers from one Independent Living Unit to another Independent Living Unit, or if the Resident transfers from an Assisted Living or unit providing Memory Care Services to any other Living Unit, or if the Resident permanently leaves the Community from an Assisted Living or unit providing Memory Care Services, the Resident is responsible to pay the full Refurbishing Charges.
- If the last residence at the Community is a Nursing Unit and the Resident either permanently leaves the Community from that unit or passes away while residing in the Nursing Unit, Windsor Run will cover the full Refurbishing Charges for the Nursing Unit.

39. Continuing Care Contracts (Residence and Care Agreements)

The Residence and Care Agreement details the services the resident will receive, the facilities the

resident will use, the rights and responsibilities the resident will accept, and the costs associated with living at the community. In addition to the Residence and Care Agreement, there are various sample ancillary forms such as refund forms, the promissory note, etc. These are samples only and every form does not necessarily apply to every resident.

Windsor Run offers two forms of Residence and Care Agreements, which differ primarily in their entrance fee refund provisions:

- 90% Refundable Contract - 90% of the entrance fee (less applicable deductions) is refundable pursuant to the terms of the Residence and Care Agreement.
- Declining Balance Contract (0% Refundable)- The refundable portion of the entrance fee decreases monthly and amortizes to 0% after a four-year period. Once the amortization period has elapsed, no refund is payable upon termination or death of the resident.

Both models are included in this Appendix D with one set of common attachments.

RESIDENT DISCLOSURE STATEMENT RECEIPT ACKNOWLEDGMENT

I/We, _____, acknowledge that I/We received a full and complete copy of the Windsor Run Disclosure Statement and the accompanying appendices, having an effective date of December 31, 2025.

Resident Name(s)

Signature

Date

Signature

Date

Appendix Index

The following Appendices are incorporated into and form an integral part of this Disclosure Statement. Each Appendix begins on a separate page.

Appendix A — Audited Financial Statements.....
Appendix B — Five-Year Prospective Financial Statements.....
Appendix C — Statement of Actuarial Opinion
Appendix D — Representative Contract(s)
Appendix E — Statutory Ratio and Supporting Definitions.....

Appendix A — Audited Financial Statements

Windsor Run, LLC

**Financial Statements and Supplemental Information
December 31, 2025 and 2024**

Independent Auditor's Report

Members
Windsor Run, LLC

Opinion

We have audited the financial statements of Windsor Run, LLC (the Company), which comprise the balance sheets as of December 31, 2025 and 2024, the related statements of operations and changes in members' equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 Company'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

RSM US LLP

Baltimore, Maryland
April 21, 2026

Windsor Run, LLC
Balance Sheets
December 31, 2025 and 2024

	2025	2024
ASSETS		
Current assets		
Cash	\$ 2,956,006	\$ 1,769,450
Accounts receivable, net	230,183	276,105
Promissory notes receivable	5,649,275	9,583,842
Prepaid expenses and other current assets	298,677	256,105
Restricted cash - current	102,882	40,341
Total current assets	<u>9,237,023</u>	<u>11,925,843</u>
Non-current assets		
Resident capital cash and cash equivalents	8,278,749	19,434,900
Property and equipment, net	355,838,434	325,998,856
Intangible assets	2,504,559	2,504,559
Total non-current assets	<u>366,621,742</u>	<u>347,938,315</u>
Total assets	<u>\$ 375,858,765</u>	<u>\$ 359,864,158</u>
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 11,415,112	\$ 22,183,123
Insurance claims reserve	586,987	381,594
Resident refunds payable	3,605,481	3,509,271
Other current liabilities	93,836	79,397
Total current liabilities	<u>15,701,416</u>	<u>26,153,385</u>
Non-current liabilities		
Advance deposits	4,316,430	854,900
Working capital loan and accrued interest	—	11,685,079
Resident entrance fees	184,103,616	167,080,241
Community fees	65,092,115	59,356,105
Accumulated amortization	(23,032,830)	(16,642,506)
Total non-current liabilities	<u>230,479,331</u>	<u>222,333,819</u>
Total liabilities	<u>246,180,747</u>	<u>248,487,204</u>
Commitments (Note 12)		
Members' equity	<u>129,678,018</u>	<u>111,376,954</u>
Total liabilities and members' equity	<u>\$ 375,858,765</u>	<u>\$ 359,864,158</u>

The accompanying notes are an integral part of these financial statements

Windsor Run, LLC
Statements of Operations and Changes in Members' Equity
For the years ended December 31, 2025 and 2024

	2025	2024
Operating revenue		
Resident occupancy revenue	\$ 37,537,253	\$ 31,823,972
Amortization of community fees	8,085,228	7,006,931
Ancillary fee revenue	1,351,387	809,965
Other revenue	435,308	333,526
Total operating revenue	<u>47,409,176</u>	<u>39,974,394</u>
Operating expenses		
Salaries, wages and benefits	18,856,212	15,027,290
General and administrative	10,445,108	7,607,153
Professional and contracted services	7,683,050	7,259,634
Management fees	1,876,721	1,587,935
Real estate taxes	1,546,741	1,384,222
Depreciation	9,754,237	7,970,448
Total operating expenses	<u>50,162,069</u>	<u>40,836,682</u>
Operating loss	(2,752,893)	(862,288)
Non-operating income (expense)		
Interest income	427,070	251,686
Interest expense	(246,359)	(1,559,157)
Total non-operating income	<u>180,711</u>	<u>(1,307,471)</u>
Net loss	(2,572,182)	(2,169,759)
Members' equity, beginning	111,376,954	84,061,154
Contributions from member	55,670,259	79,072,909
Distributions to member	(34,797,013)	(49,587,350)
Members' equity, ending	<u>\$ 129,678,018</u>	<u>\$ 111,376,954</u>

The accompanying notes are an integral part of these financial statements

Windsor Run, LLC
Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Net loss	\$ (2,572,182)	\$ (2,169,759)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	9,754,237	7,970,448
Amortization of community fees	(8,085,228)	(7,006,931)
Interest on working capital loan	246,359	1,559,157
Spend down	(967,539)	(549,994)
Proceeds from community fees	7,430,914	20,209,920
Decrease (increase) in accounts receivable, net	45,922	(47,645)
Increase in prepaid expenses and other current assets	(42,572)	(13,364)
(Decrease) increase in accounts payable and accrued expenses	(1,527,393)	1,019,221
Increase in insurance claims reserve	205,393	73,178
Increase in other current liabilities	14,439	21,051
Net cash provided by operating activities	<u>4,502,350</u>	<u>21,065,282</u>
Cash flows from investing activities:		
Purchases of property and equipment	(48,834,433)	(71,397,735)
Purchases of intangible assets	—	(401,000)
Net cash used in investing activities	<u>(48,834,433)</u>	<u>(71,798,735)</u>
Cash flows from financing activities:		
Repayments of working capital loan	(11,931,438)	(14,001,377)
Increase (decrease) in advance deposits	3,461,530	(1,868,100)
Proceeds from resident entrance fees, net of change in promissory notes receivable	42,681,467	56,994,138
Refunds of resident entrance fees	(20,659,776)	(11,927,353)
Contributions from member	55,670,259	79,072,909
Distributions to member	(34,797,013)	(49,587,350)
Net cash provided by financing activities	<u>34,425,029</u>	<u>58,682,867</u>
(Decrease) increase in cash, cash equivalents and restricted cash	(9,907,054)	7,949,414
Cash, cash equivalents and restricted cash, beginning of year	<u>21,244,691</u>	<u>13,295,277</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 11,337,637</u>	<u>\$ 21,244,691</u>
Supplemental cash flow disclosures:		
Acquisitions of property and equipment financed through accounts payable and accrued expenses	\$ 9,021,499	\$ 18,262,117
Cash paid for interest	\$ 370,843	\$ 1,670,241

The accompanying notes are an integral part of these financial statements

Windsor Run, LLC

Notes to Financial Statements

December 31, 2025 and 2024

1. Organization

Windsor Run, LLC (the "Company") was established on April 9, 2014 as a Maryland limited liability company, to acquire, own, and develop real property. The Company operates a continuing care retirement community ("CCRC") in Matthews, North Carolina. As of December 31, 2025 and 2024, there were 705 and 696 total independent living units, respectively. As of December 31, 2025 and 2024, there were 34 total skilled nursing units.

The Company is a majority owned subsidiary of Erickson Living Properties II, LLC ("ELP II") and ELP II is a wholly owned subsidiary of Erickson Living Holdings, LLC ("ELH"), whose purpose is to develop, manage and lease or operate CCRCs.

ELH also wholly owns other entities that have economic relationships with the Company:

- Erickson Senior Living, LLC ("ESL"), whose purpose is to provide management services to large scale CCRCs throughout the United States.
- EA Campus Care, LLC ("EA"), whose purpose is to manage health care delivery systems that support CCRCs managed by ESL and provides physician practice management services and medical management services to those CCRCs.
- Erickson Living Development, LLC ("ELD"), whose purpose is to provide land and construction development services and construction management oversight to large scale CCRCs throughout the United States.

On April 30, 2020, the Company's operating agreement was amended and restated to admit a new member of the Company, NSC – Windsor Run, LLC ("NSCWR"), and provided for one class of outstanding membership interests of the Company. NSCWR is a subsidiary of National Senior Communities, Inc. ("NSC"), a not-for-profit organization that provides governance oversight, supervision and strategic planning for numerous CCRCs that are managed by ESL. ELP II was designated as the manager of the Company and the initial capital percentages are 90% held by ELP II and 10% held by NSCWR. Both members have a right of first offer to purchase the other member's interest in the Company if that member decides to dispose of it.

ELP II made an initial capital contribution and will continue to make additional capital contributions to fund further development of the Company. Distributions of net operating cash flow from operations are made to each member based on their respective net operating cash flow percentages, as defined in the operating agreement. No distributions of net cash flows are permitted while there is an outstanding balance under the Working Capital Loan ("WCL") (see Note 8). Distributions of all resident entrance fees or community fees, net of refunds paid and advance deposits ("entrance fee cash flow") as well as proceeds from any debt financing may only be distributed to ELP II. Distributions of net cash from capital transactions are first made to members pro rata until the capital contributions are returned and then to the members in proportion to their respective capital percentages.

During the year ended December 31, 2025, ELP II made contributions of \$55,670,259 and received distributions of \$34,797,013 from the Company. During the year ended December 31, 2024, ELP II made contributions of \$79,072,909 and received distributions of \$49,587,350 from the Company. During the years ended December 31, 2025 and 2024, NSCWR made no contributions and received no distributions from the Company.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Windsor Run, LLC

Notes to Financial Statements

December 31, 2025 and 2024

Management Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain 2024 amounts were reclassified to conform to the 2025 presentation. These reclassifications had no effect on the previously reported member's equity or net loss. Specifically, resident entrance fees, net as presented in the previously issued financial statements as of December 31, 2024 and for the year then ended, have been bifurcated into separate line items, resident entrance fees, community fees and accumulated amortization. This reclassification is to provide additional clarity and alignment with the Company's Residence and Care Agreement ("RCA") contract language. The Company is reclassifying the previously issued financial statements as of December 31, 2024 and for the year then ended so that financial results may be viewed comparatively.

Pooled Cash Accounts

The Company utilizes a controlled disbursement account owned by ESL with other related parties and CCRCs that ESL manages. The account funds checks as they are presented for payment which may result in a book overdraft due to timing. There were no book overdrafts as of December 31, 2025 and 2024.

Concentration of Credit Risk

Financial instruments which subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. Cash and cash equivalents include overnight investment arrangements with banks and investments. The Company maintains its cash in financial institutions that are federally insured under the Federal Deposit Insurance Corporation ("FDIC"). Deposits are insured up to \$250,000 per depositor, per FDIC-insured bank, per ownership category. Total deposits maintained at these institutions at times exceed FDIC insurance limits and therefore, bear a risk of loss. The Company has not experienced any losses on these funds, and believes it is not exposed to any significant credit risk related to cash.

Accounts Receivable, Net

The Company evaluates the collectability of accounts receivable using the current expected credit loss model under Accounting Standards Codification ("ASC") 326, *Financial Instruments - Credit Losses* ("ASC 326"). This is a forward-looking model that estimates the lifetime credit loss of the receivable(s). The Company's accounts receivable are reported net of allowance for credit losses to represent the estimate of expected losses at the balance sheet date. The Company analyzes contractual amounts and provides an allowance for doubtful accounts and a contractual adjustment, if necessary, which is based on historical collection experience and reasonable forecasts. Subsequent changes determined to be the result of adverse changes in the payer's ability to pay are recorded as bad debt expense. Uncollectible accounts generally are related to third-party insurance payers and are recorded as a reduction of revenue. The Company writes off uncollectible accounts receivable after all collection efforts have been exhausted and management determines they will not be collected. Uncollectible accounts receivable written off were not significant for the years ended December 31, 2025 and 2024.

Promissory Notes Receivable

Promissory notes receivable consist of short-term receivables from residents related to payment of the final installment of their entrance fee. Often, there is a timing difference between when the sale of a prospective resident's home will be finalized, and the due date of the final installment on their resident entrance fee. In these cases, a short-term promissory note is issued by the resident. If the

Windsor Run, LLC

Notes to Financial Statements

December 31, 2025 and 2024

resident does not pay the note by the agreed upon due date, interest may be charged from the day the note was issued through the date of payment.

Property and Equipment, Net

Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of 3 to 40 years. Improvements to property and equipment that substantially extend the useful life of the asset are capitalized. Repair and maintenance costs are expensed as incurred.

Construction in progress includes the direct and indirect costs associated with the acquisition, development, and construction of specific real estate development projects.

Gains or losses on the disposition of property and equipment are recorded at the time of the disposition.

The useful lives of property and equipment are as follows (in years):

	<u>Useful Life</u>
Buildings	40
Land improvements	15
Building improvements and furniture and fixtures	7
Equipment and vehicles	3 or 5

Intangible Assets

During 2018, the Company acquired 36 skilled nursing bed licenses and obtained the required Certificate of Need (“CON”) from the state of North Carolina to operate the care center at the community. The cost to obtain these licenses in 2018 was \$2,103,559. In 2024, the company received approval of a CON permitting the purchase of 10 and development of 82 additional bed licenses for a planned expansion of the care facility. In August 2024, the Company closed on the settlement of the 10 purchased bed licenses for a purchase price of \$300,000. The purchase price plus additional costs related to obtaining the licenses are included in intangible assets on the Balance Sheets. The Company's development of the additional bed licenses is expected to be completed during 2029. The cost to acquire the required licenses and the CON were recorded as an intangible asset. The licenses do not expire and are transferable, thus they were assessed to have an indefinite life and are not subject to amortization.

Valuation of Long-Lived Assets

The Company accounts for the valuation of long-lived assets in accordance with ASC 360-10-15, *Accounting for the Impairment or Disposal of Long-Lived Assets*. This guidance requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell. Management has reviewed the valuation of long-lived assets of the Company and has determined that no events of impairment occurred for the years ended December 31, 2025 and 2024.

Compensated Absences

The Company records a liability for amounts due to employees for future absences that are attributable to services performed in the current and prior periods, which is included in accounts payable and accrued expenses on the Balance Sheets.

Insurance Plans

The Company participates in insurance plans which cover claims for employee health and dental, professional and general liability, workers' compensation, and property insurance. The Company participates in insurance plans with ESL and other communities managed by ESL and is self-insured up to certain limits. For employee health and dental claims within the deductible limit, the payment of these claims are shared with other NSC participants based on their percentage of participation in each pool. Workers' compensation claims are limited to the Company's monthly premiums and are not self-insured. Professional and general liability insurance claims are shared by all participants, subject to retention and aggregate limits. The Company participates in a high-deductible property insurance plan with ESL and other communities managed by ESL. To the extent a participant incurs a loss, all participants will share in paying for that loss based on their percentage of participation, subject to the deductible. Any third-party insurance plans would cover losses above the self-insured limits.

Insurance Claims Reserve

Insurance claims reserves are estimated accrued insurance liabilities for the employee health plan, professional and general liability, workers' compensation insurance plans, and property claims. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided. Claims incurred but not reported represent amounts accrued for the current year, which were actuarially determined to be the amount of potential claim payments for events occurring prior to year-end, including excess amounts covered by reinsurance. The Company does not discount this liability.

Resident Entrance Fees, Community Fees and Accumulated Amortization

Residents are required to remit entrance fees, which vary in amount depending upon the unit to be occupied. The terms of the RCA between the residents and the Company require the residents to pay monthly service fees and an entrance fee. The RCAs provide for a non-refundable portion of the entrance fee of either 10% or 100%, depending on the agreement chosen. The non-refundable portion is recorded as deferred revenue and amortized on a straight-line basis over an 8.5-year period which approximates the estimated average length of time a resident resides at the community based on community and industry data, or over a shorter period if the RCA is terminated sooner. The non-refundable portion of the entrance fee is reported on the Balance Sheets as community fees.

Resident entrance fees may be used to satisfy monthly fees if insufficient resident funds are available, resulting in a spend down of the resident's entrance fees. The amounts charged to spend down are subsequently recovered by the Company through a reduction of the amounts refunded to the resident when they leave the community and any required refund is made. Residents' final bills are also charged to spend down which reduces the amount of their refundable entrance fee under the terms of the RCA.

Revenue Recognition

Resident occupancy revenue

The Company's revenues are derived primarily from RCAs with residents. Each RCA provides the resident with the rights to the following levels of care: (i) independent living and (ii) related care (e.g., assisted living services, skilled nursing residency and care, memory care residency, and therapy services). The Company has concluded that these rights represent a single performance obligation because they are transferred concurrently over the term of the RCA. Independent living services primarily represent the right to occupy the unit, and related care services follow the same timing and pattern of transfer. Accordingly, the Company does not account for these rights separately for revenue recognition purposes.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

Practical Expedient Election

The RCA contains both a lease component (the right to occupy the living unit) and a nonlease component (resident services). The Company is the lessor in the agreement and classifies the lease as operating. In accordance with ASC 842, *Leases*, the Company has elected the practical expedient to not separate lease and nonlease components for RCAs where the timing and pattern of transfer are the same and the lease component, if accounted for separately, would be classified as an operating lease. As a result, the Company accounts for the combined components as a single performance obligation under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Under ASC 606, a company must identify its contracts with customers and performance obligations under those contracts, allocate the transaction price among those performance obligations, and recognize revenue as the performance obligations are satisfied.

Performance obligations are satisfied over time as services are rendered, and revenue is recognized on a daily or monthly basis for housing, care, and ancillary services. Revenue for services provided at a point in time, such as retail transactions (e.g., pharmaceuticals or medical equipment), is recognized when control of the goods transfers to the resident. Community fees are deferred and recognized on a straight-line basis over the expected term of the RCA, which represents the period during which the resident receives the benefits of the arrangement.

The Company determines the transaction price based on standard charges for continuing care services provided, reduced by contractual adjustments (explicit price concessions) provided to third-party payers, where applicable. The Company estimates contractual adjustments and discounts based on contractual agreements and historical experiences. The Company evaluates a resident's ability to pay for provided services through an assessment of their available assets, future sources of income and the security of their entrance fee at the time of entrance to the community. Through this evaluation, the Company has determined that it does not offer implicit price concessions. The lack of implicit price concessions is considered in estimating the transaction price billed to residents and the amounts the Company expects to collect based on its collection history with those residents.

Agreements with third-party payers typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payers is as follows:

- Medicaid: Reimbursements for Medicaid services are generally paid at prospectively determined rates per occasion of service, or per covered member.
- Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined rates.

Generally, residents covered by third-party payers are responsible for related deductibles and coinsurance, which vary in amount. Management estimates the transaction price for residents with deductibles and coinsurance, and for those who are uninsured 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. Subsequent changes to the estimate of the transaction prices are recorded as adjustments to resident occupancy revenue or ancillary fees in the period of the change. These changes to estimates recorded in the subsequent period were insignificant for the years ended December 31, 2025 and 2024.

Ancillary fees

Ancillary fees, which include nursing and aide services, housekeeping, dining room sales and other services provided to the residents of the Community are reported at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing these services.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

The Company recognizes revenue for these ancillary services in accordance with the provisions of ASC 606. Each service provided under the contract is capable of being distinct. Therefore, the services are considered individual and separate performance obligations, which are satisfied as services are provided, and revenue is recognized as services are provided.

Advertising

Advertising costs, including, but not limited to, media and production costs, agency fees, promotional materials, and allocated central services for marketing as further described in Note 11 are charged to operations when incurred. The Company's advertising expense for the years ended December 31, 2025 and 2024, was \$2,629,210 and \$2,835,899, respectively.

Income Taxes

The Company has elected to be disregarded for all federal and state income tax purposes and generally is not subject to federal and state income taxes. Accordingly, income taxes are not provided for in the accompanying financial statements, as taxable income is reported by the individual members. Management has evaluated the Company's tax positions and has concluded that the Company has taken no uncertain tax positions that would require recognition or disclosure in the financial statements.

Recently Issued Accounting Pronouncements

On July 30, 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-05 – *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets* ("ASU 2025-05") which amends ASC 326 to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities, that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The FASB developed the new guidance in conjunction with the Private Company Council to address concerns from stakeholders that estimating expected credit losses can be costly and complex for such transactions. Management evaluated ASU 2025-05 and determined that, due to the Company's historically insignificant write-offs, the practical expedient would not materially affect its credit-loss methodology. Therefore, the Company did not elect to adopt the expedient to the presentation of net accounts receivable balances or the related disclosures in the Company's financial statements.

3. Cash, Restricted Cash and Cash Equivalents

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Balance Sheets that sum to the total of the same amounts shown on the Statements of Cash Flows as of December 31:

	2025	2024
Cash	\$ 2,956,006	\$ 1,769,450
Restricted cash - current	102,882	40,341
Resident capital cash and cash equivalents	8,278,749	19,434,900
Cash, cash equivalents and restricted cash	<u>\$ 11,337,637</u>	<u>\$ 21,244,691</u>

Resident capital cash and cash equivalents consists of advance deposits received from prospective residents to reserve a residence prior to settlement and certain entrance fees. In compliance with North Carolina law, entrance fees are escrowed until occupancy requirements are met. Deposits for the Company's building which opened in November 2024 are included in resident capital cash and cash equivalents as of December 31, 2024 and were released in the second quarter of 2025.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

4. Statutory Operating Restricted Reserves

The North Carolina Department of Insurance ("NCDOI") requires a CCRC to maintain an operating reserve that is a certain percentage of projected operating costs, less depreciation and amortization, depending on the occupancy levels. The Company purchased a surety bond to maintain compliance with this reserve requirement, as permitted by the NCDOI. As of December 31, 2025, the bond was \$10,037,250. The operating reserve is determined based on the annual report filed with NCDOI due May 31 of the year subsequent to the audit; i.e., the annual report that will be filed by May 31, 2026 and includes projected operating results for the year ending December 31, 2025 that will be the basis for the calculation of the operating reserve effective for the year ending December 31, 2025.

The calculation of the required operating cash reserve as of December 31, 2025 is as follows:

Operating expenses for the year ended December 31, 2025	\$ 50,162,069
Less: Depreciation	(9,754,237)
Net operating expenses, as defined under N.C. Gen. Stat. § 58-64A-205	<u>40,407,832</u>
Required reserve as of December 31, 2025 (25%)	<u>\$ 10,101,958</u>

5. Property and Equipment, Net

Property and equipment, net consisted of the following as of December 31:

	2025	2024
Building and building improvements	\$ 304,069,241	\$ 260,176,656
Land and land improvements	19,361,564	16,712,431
Equipment and vehicles	14,611,977	12,933,247
Furniture and fixtures	4,356,720	2,652,582
Construction in progress	56,225,504	66,699,376
	<u>398,625,006</u>	<u>359,174,292</u>
Accumulated depreciation	(42,786,572)	(33,175,436)
Total property and equipment, net	<u>\$ 355,838,434</u>	<u>\$ 325,998,856</u>

Depreciation expense was \$9,754,237 and \$7,970,448 for the years ended December 31, 2025 and 2024, respectively. For the years ended December 31, 2025 and 2024, the Company disposed of fully depreciated assets totaling \$143,101 and \$181,886, respectively. There were gains of \$0 and \$19,185 related to these disposals for the years ended December 31, 2025 and 2024, respectively.

6. Defined Contribution Plan

The Company maintains a defined contribution plan for its employees meeting certain eligibility requirements. Eligible employees may contribute up to 100% of their salary subject to the maximum allowed by the Internal Revenue Code on a pretax basis. The Company may make discretionary contributions to the plan equal to a percentage of the participant's elective deferrals. Total expense recognized by the Company was \$160,792 and \$164,005 related to the plan for the years ended December 31, 2025 and 2024, respectively, and is included in salaries, wages, and benefits on the Statements of Operations and Changes in Members' Equity.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

7. Resident Entrance Fees, Community Fees and Accumulated Amortization

The composition of resident entrance fees, community fees and accumulated amortization was as follows as of December 31:

	2025	2024
Resident entrance fees		
90% refundable portion	\$ 185,635,985	\$ 167,998,145
Less: Spend down	<u>(1,532,369)</u>	<u>(917,904)</u>
Resident entrance fees	<u>184,103,616</u>	<u>167,080,241</u>
Community fees		
100% non-refundable portion	43,997,100	40,294,100
10% non-refundable portion	<u>21,095,015</u>	<u>19,062,005</u>
Community fees	<u>65,092,115</u>	<u>59,356,105</u>
Accumulated amortization	<u>(23,032,830)</u>	<u>(16,642,506)</u>
Total resident entrance fees and community fees, net of accumulated amortization	<u>\$ 226,162,901</u>	<u>\$ 209,793,840</u>

The balance of community fees as of January 1, 2024 was \$40,210,290.

For the years ended December 31, 2025 and 2024, spend down activity to offset monthly charges was \$967,539 and \$549,994, respectively.

8. Working Capital Loan

In the event the Company's operating expenses exceed the revenues, income, receipts and cash flows of the Company for a given period, the terms of the amendment require ELP II to make a WCL to the Company in the amount of such net operating deficit. There were no outstanding borrowings nor accrued interest under the WCL as of December 31, 2025. There was \$11,619,457 plus accrued interest of \$65,622 outstanding under the WCL as of December 31, 2024.

Interest accrues monthly on the WCL balance at the prime rate less 0.25%. The prime rate was 6.75% and 7.50% as of December 31, 2025 and 2024, respectively. Total interest expense was \$246,359 and \$1,559,157 for the years ended December 31, 2025 and 2024, respectively.

9. Disaggregation of Revenue

The Company disaggregates its revenue from contracts with customers by payer source as well as its main lines of business, as the Company believes it best depicts how the nature, amount, timing, and uncertainty of its revenue and cash flows are affected by economic factors.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

The composition of resident occupancy revenue by payer and level of care was as follows for the years ended December 31:

	2025		
	Independent living	Skilled nursing and other	Total
Private pay	\$ 32,881,618	\$ 4,655,635	\$ 37,537,253
Total resident occupancy revenue	<u>\$ 32,881,618</u>	<u>\$ 4,655,635</u>	<u>\$ 37,537,253</u>

	2024		
	Independent living	Skilled nursing and other	Total
Private pay	\$ 27,569,687	\$ 4,254,285	\$ 31,823,972
Total resident occupancy revenue	<u>\$ 27,569,687</u>	<u>\$ 4,254,285</u>	<u>\$ 31,823,972</u>

The composition of ancillary fees by payer and level of care was as follows for the years ended December 31:

	2025	
	Independent living	Total
Private pay	\$ 1,350,324	\$ 1,350,324
Third party	1,063	1,063
Total ancillary fees	<u>\$ 1,351,387</u>	<u>\$ 1,351,387</u>

	2024	
	Independent living	Total
Private pay	\$ 809,306	\$ 809,306
Third party	659	659
Total ancillary fees	<u>\$ 809,965</u>	<u>\$ 809,965</u>

10. Management and Marketing Agreement

The Company and ESL have a Management and Marketing Agreement ("MMA"), which was amended effective January 1, 2023, whereby ESL will provide management and marketing services to the Company during the term of the agreement which expires on January 1, 2038. The agreement provides for the Company to pay ESL a monthly management fee of 5% of facility revenue. Other corporate services as required by the Company are also reimbursed to ESL as defined in the management agreement. The total management fee for the years ended December 31, 2025 and 2024, were \$1,876,721 and \$1,587,935, respectively.

The direct and shared costs allocated to the Company by ESL for the years ended December 31, 2025 and 2024 were \$5,353,117 and \$4,682,192, respectively, and are included in professional and contracted services and salaries, wages, and benefits on the Statements of Operations and Changes in Members' Equity. Direct and shared costs include salaries and benefits for management personnel and the use of services such as finance, legal, human resources, information systems and operations.

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

11. Related Party Transactions

The Company has a central services agreement with ESL that allows for allocation of general and administrative expenses for all companies under common ownership, and CCRC entities for which ESL provides management services. During the years ended December 31, 2025 and 2024, the Company incurred expenses of \$3,741,212 and \$3,197,517, respectively, related to the central services agreement which is included in the direct and shared costs reported in Note 10. During the years ended December 31, 2025 and 2024, the Company made payments of \$3,812,483 and \$3,179,053, respectively, related to the central services agreement.

The Company has an agreement with ELD to pay for certain development services provided by employees of ELD. The agreement requires the Company to pay ELD a 5% development fee on hard and soft construction costs incurred by the Company. The development fee totaled \$1,600,859 and \$3,275,266 during the years ended December 31, 2025 and 2024, respectively, and is capitalized as part of ongoing construction costs. During the years ended December 31, 2025 and 2024, the Company made payments of \$2,590,663 and \$2,676,901, respectively, related to the development fee agreement.

The amounts due to ESL, ELD and due from EA on the accompanying Balance Sheets are included in accounts payable and accrued expenses and are comprised of the following items as of December 31:

	2025	2024
(Payable to) receivable from ESL:		
General reimbursement	\$ (96,916)	\$ (611,563)
Central services	71,271	—
Total payable to ESL, net	<u>\$ (25,645)</u>	<u>\$ (611,563)</u>
 Payable to ELD	 <u>\$ (352,802)</u>	 <u>\$ (1,342,606)</u>
 Receivable from EA	 <u>\$ 12,975</u>	 <u>\$ —</u>

12. Commitments and Contingencies

The Company is committed under several construction-related contracts. Commitments for the portion of the contracts not completed as of December 31, 2025 and 2024 totaled \$3,438,545 and \$28,937,400, respectively.

The Company is subject to legal proceedings and claims which arise from the normal course of business. In the opinion of management, the amount of ultimate liability with respect to these proceedings and claims will not materially affect the financial position, cash flow, or results of operations of the Company.

13. Credit Agreement

The Company is a guarantor on a credit facility that ELH entered into with a syndicate of financial institutions led by Truist Bank in June 2021. The agreement was amended in November 2025 to increase the capacity and extend the maturity date from June 30, 2026 to November 14, 2030.

This arrangement includes a \$359.4 million term loan and a revolving line of credit with a maximum capacity of \$1,807.3 million. The term loan original commitment was \$400.0 million. In January 2025, ELH exercised an amendment to the agreement to increase the capacity on the revolving line of credit from \$776.0 million to \$800.0 million. Interest on the credit arrangement is Secured Overnight Financing Rate plus a varying spread (based on outstanding loan to EBITDA as defined in the

Windsor Run, LLC
Notes to Financial Statements
December 31, 2025 and 2024

agreement). Repayment of the term loan is quarterly based on a 20-year amortization schedule and matures on November 14, 2030. The revolving credit facility has no repayment terms other than it must be paid in full on November 14, 2030. As of December 31, 2025, borrowings under the term loan and revolving line of credit were \$356.8 million and \$967.0 million, respectively. As of December 31, 2024, borrowings under the term loan and revolving line of credit were \$367.2 million and \$284.0 million, respectively.

14. Subsequent Events

The Company has evaluated subsequent events through April 21, 2026, the date on which the financial statements were available to be issued. There were no subsequent events noted.

Independent Auditor's Report on the Supplementary Information

Members
Windsor Run, LLC

We have audited the financial statements of Windsor Run, LLC (the Company) as of and for the years ended December 31, 2025 and 2024, and have issued our report thereon, which contains an unmodified opinion on those financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Baltimore, Maryland
April 21, 2026

Windsor Run, LLC
Supplemental Schedule (Unaudited)
December 31, 2025

Community Recurring Cash Flow	2025 (unaudited)
Operating loss	\$ (2,752,893)
Amortization of community fees	(8,085,228)
Depreciation	9,754,237
Other adjustments	76,533
Net operating income	<u>(1,007,351)</u>
Portions of resident and community fee cash flows from resale:	
Resale community fees collected	5,204,961
Resale entrance fees collected	16,254,000
Resale entrance fees paid	<u>(13,167,540)</u>
Net resale margin	8,291,421
Less: Maintenance capex	(2,611,416)
Cash from recurring operations	<u>\$ 4,672,654</u>

Appendix B — Five-Year Prospective Financial Statements

Windsor Run, LLC
Compilation of a Financial Projection
For Each of the Five Years Ending
December 31, 2030
(with Accountant's Compilation Report thereon)

Windsor Run, LLC

Compilation of a Financial Projection

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Accountant's Compilation Report

To the Members
Windsor Run, LLC
Matthews, North Carolina

Management of Windsor Run, LLC (the "Company") and Erickson Senior Living, LLC (collectively referred to as "Management") is responsible for the accompanying financial projection of the Company, which comprises the projected balance sheets as of and for each of the five years ending December 31, 2030 and the related projected statements of operations, changes in members' equity and cash flows for each of the years then ending, and the related summaries of significant assumptions and rationale in accordance with guidelines for the presentation of a financial projection established by the American Institute of Certified Public Accountants ("AICPA").

The Company is currently expanding its existing retirement community with a phased construction master plan providing for additional independent living units and continuing care beds (the "Projects").

The accompanying projection and this report were prepared for inclusion with the disclosure statement filing requirements of North Carolina General Statutes, Chapter 58, Article 64A and should not be used for any other purpose.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services as promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial projection, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by Management. Accordingly, we do not express an opinion, a conclusion, or provide any form of assurance on this financial projection. Furthermore, even if the following hypothetical assumptions occur during the projection period:

- Construction, development, marketing, and other related costs for the Projects occur in the assumed timeline and at the assumed costs; and
- The phased Project units are successfully marketed and occupied at the assumed occupancy levels.

There will usually be differences between the prospective and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Forvis Mazars, LLP

Atlanta, Georgia
June 26, 2026

Windsor Run, LLC

Projected Statements of Operations and Changes in Members' Equity For the Years Ending December 31, (In Thousands)

	2026	2027	2028	2029	2030
Operating revenue					
Resident occupancy revenue	\$ 44,972	\$ 49,751	\$ 51,244	\$ 52,719	\$ 57,412
Amortization of community fees	9,613	10,673	10,886	11,368	12,064
Ancillary fee revenue	1,925	2,138	2,202	2,263	2,393
Other revenue	279	310	320	329	339
Total operating revenue	56,789	62,872	64,652	66,679	72,208
Operating expenses					
Salaries, wages and benefits	18,595	19,153	19,728	20,319	23,566
General and administrative	19,143	20,381	19,886	20,356	21,551
Professional and contracted services	1,229	1,324	1,353	1,378	2,258
Management fees	2,249	2,488	2,562	2,636	2,871
Real estate taxes	2,828	3,049	3,111	3,144	3,752
Depreciation	9,832	9,977	10,405	11,188	11,803
Total operating expenses	53,876	56,372	57,045	59,021	65,801
Operating income	2,913	6,500	7,607	7,658	6,407
Non-operating income (expense):					
Interest income	80	38	44	45	40
Interest expense	(1,218)	(2,600)	(2,517)	(2,424)	(2,555)
Total non-operating income	(1,138)	(2,562)	(2,473)	(2,379)	(2,515)
Net income (loss)	1,775	3,938	5,134	5,279	3,892
Members' equity, beginning	129,678	18,127	8,148	14,414	21,787
Contributions (Distributions) to member	(113,326)	(13,917)	1,132	2,094	(12,950)
Members' equity, ending	\$ 18,127	\$ 8,148	\$ 14,414	\$ 21,787	\$ 12,729

See accompanying Summary of Significant Projection Assumptions and Rationale and
Accountant's Compilation Report

Windsor Run, LLC
Projected Statements of Cash Flows
For the Years Ending December 31,
(In Thousands)

	2026	2027	2028	2029	2030
Cash flows from operating activities					
Net income (loss)	\$ 1,775	\$ 3,938	\$ 5,134	\$ 5,279	\$ 3,892
Adjustments to reconcile net (loss) to net cash provided by (used in) operating activities:					
Depreciation	9,832	9,977	10,405	11,188	11,803
Amortization of community fees	(9,613)	(10,673)	(10,886)	(11,368)	(12,064)
Interest on working capital loan	1,218	2,600	2,517	2,424	2,555
Proceeds from community fees	6,336	8,234	9,651	11,145	11,789
Decrease (increase) in accounts receivable, net	(1,062)	(138)	(43)	(42)	(133)
Increase in prepaid expenses and other current assets	(63)	(19)	(2)	(10)	(51)
(Decrease) increase in accounts payable and accrued expenses	(9,243)	116	12	59	304
Increase (decrease) in other current liabilities	656	(534)	2,241	(583)	(3,127)
Net cash provided by (used in) operating activities	\$ (164)	\$ 13,501	\$ 19,029	\$ 18,092	\$ 14,968
Cash flows from investing activities					
Purchases of property and equipment	(4,690)	(4,000)	(21,643)	(25,341)	(11,607)
Net cash used in investing activities	(4,690)	(4,000)	(21,643)	(25,341)	(11,607)
Cash flows from financing activities					
Working Capital Loan proceeds (payments)	36,287	(1,267)	(5,179)	(2,537)	1,451
Increase (decrease) in advance deposits	(2,116)	144	404	425	184
Proceeds from resident entrance fees	89,650	22,207	26,029	30,059	31,798
Refunds of resident entrance fees	(11,779)	(16,524)	(19,368)	(22,367)	(23,660)
Distributions to member	(113,326)	(13,917)	1,132	2,094	(12,950)
Net cash provided by (used in) financing activities	(1,284)	(9,357)	3,018	7,674	(3,177)
(Decrease) increase in cash, cash equivalents and restricted cash	\$ (6,138)	\$ 144	\$ 404	\$ 425	\$ 184
Cash, cash equivalents and restricted cash, beginning of year	11,338	5,200	5,344	5,748	6,172
Cash, cash equivalents and restricted cash, end of year	\$ 5,200	\$ 5,344	\$ 5,748	\$ 6,172	\$ 6,356
Cash, cash equivalents and restricted cash reconciliation:					
Cash and cash equivalents	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Restricted cash	2,200	2,344	2,748	3,172	3,356
Total cash, cash equivalents and restricted cash	\$ 5,200	\$ 5,344	\$ 5,748	\$ 6,172	\$ 6,356

See accompanying Summary of Significant Projection Assumptions and Rationale and
Accountant's Compilation Report

Windsor Run, LLC
Projected Balance Sheets
As of December 31,
(In Thousands)

	2026	2027	2028	2029	2030
Assets					
Current assets					
Cash	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Accounts receivable, net	1,292	1,430	1,473	1,515	1,648
Promissory notes receivable	6,858	7,307	8,564	9,890	10,462
Prepaid expenses and other current assets	362	381	383	393	444
Restricted cash - current	200	213	250	288	305
Total current assets	11,712	12,331	13,670	15,086	15,859
Non-current assets					
Resident capital cash and cash equivalents	2,000	2,131	2,498	2,884	3,051
Property and equipment, net	350,695	344,718	355,956	370,109	369,913
Intangible assets	2,505	2,505	2,505	2,505	2,505
Total non-current assets	355,200	349,354	360,959	375,498	375,469
Total assets	\$ 366,912	\$ 361,685	\$ 374,629	\$ 390,584	\$ 391,328
Liabilities and Members' Equity					
Current liabilities					
Accounts payable and accrued expenses	\$ 3,861	\$ 4,068	\$ 4,089	\$ 4,194	\$ 4,734
Insurance claims reserve	587	587	587	587	587
Resident refunds payable	3,605	3,605	3,605	3,605	3,605
Other current liabilities	270	94	3,583	4,280	1,489
Total current liabilities	8,323	8,354	11,864	12,666	10,415
Non-current liabilities					
Advance deposits	2,200	2,344	2,748	3,172	3,356
Working capital loan and accrued interest	37,505	38,838	36,176	36,063	40,069
Resident entrance fees	242,349	248,033	254,694	262,386	270,524
Community fees	91,054	99,287	108,938	120,083	131,872
Accumulated amortization	(32,646)	(43,319)	(54,205)	(65,573)	(77,637)
Total non-current liabilities	340,462	345,183	348,351	356,131	368,184
Total liabilities	348,785	353,537	360,215	368,797	378,599
Members' equity	18,127	8,148	14,414	21,787	12,729
Total liabilities and members' equity	\$ 366,912	\$ 361,685	\$ 374,629	\$ 390,584	\$ 391,328

See accompanying Summary of Significant Projection Assumptions and Rationale and
Accountant's Compilation Report

Windsor Run, LLC

Summary of Significant Forecast Assumptions and Rationale

Basis of Presentation

The accompanying financial projection presents, to the best of the knowledge and belief of management of Windsor Run, LLC (the “Company”) and Erickson Senior Living, LLC (collectively referred to as “Management”), the expected financial position, results of operations, and cash flows of the Company as of and for each of the five years ending December 31, 2030. Accordingly, the accompanying projection reflects Management’s judgment as of June 26, 2026, the date of this projection, based on present circumstances and the expected course of action during the projection period assuming the hypothetical assumptions defined below. The assumptions disclosed herein are those that Management believes are significant to the projection.

Management’s purpose in releasing this financial projection is for inclusion in the Company’s annual disclosure statement in accordance with Chapter 58, Article 64A, of the North Carolina General Statutes and this report should not be used for any other purpose.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services Committee of the AICPA. We did not examine or review the financial projection nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by Management. Accordingly, we do not express an opinion, a conclusion, or provide any form of assurance on this financial projection. Furthermore, even if the following hypothetical assumptions occur during the projection period,

- Construction, development, marketing, and other related costs for the phased projects occur in the assumed timeline and at the assumed costs; and
- The phased project units are successfully marketed and occupied at the assumed occupancy levels.

There will usually be differences between the prospective and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Description of the Community

The Company, a Maryland limited liability company qualified to do business in North Carolina, was formed in 2014 to develop and operate a life plan community (“LPC”), known as Windsor Run (the “Community”) on an approximate 106-acre site in Matthews, North Carolina. The Community opened in May 2018 and is licensed by the North Carolina Department of Insurance (“NCDOI”). The Community is managed by Erickson Senior Living, LLC (the “Manager”). The Manager was formed in 2009 and currently manages 26 LPCs in eleven states (including the Community). Effective April 30, 2020, the ownership of the Company is shared between the prior 100% owner, Erickson Living Properties II, LLC (“Erickson”), and a minority owner, NSC – Windsor Run, LLC (“NSC-WR, LLC”). NSC-WR, LLC limited liability company and is wholly owned by National Senior Campuses, Inc. (“NSC, Inc.”), a 501(c)(3) charitable organization. NSC-WR, LLC holds a ten percent (10%) minority ownership interest in the Company and Erickson holds a ninety percent (90%) majority interest in the Company. Erickson and NSC, Inc. are collectively defined as the “Parent”.

The Company offers a fee-for-service or “Type C” contract in which residents transferring through the continuum of care receive priority access to health care services on campus. Entrance fees (“Entrance

Fees”) at the Community are offered under either a 90 percent refundable or a fully declining refund contract. For the purpose of the projection, Management assumes 25 percent of new Entrance Fee contracts are to be fully declining refund contracts and the remaining 75 percent to be 90 percent refundable contracts. As of December 31, 2025, the Company has 721 contracts outstanding: 183 (25.4%) with non-refundable contracts and 538 (74.6%) with 90 percent refund contracts.

The independent living units of the Community have been and will be built in phases according to demand. Upon full build out, the Community is expected to include up to 900 independent living units (the “Independent Living Units”). The Community currently consists of 803 independent living units in ten buildings (the “Existing ILUs”), with the first building available for occupancy in May 2018 and the most recent building available for occupancy in January 2026, as well as two community buildings (the “Community Buildings”). In addition to the Existing ILUs, the Community has a building, consisting of 97 independent living units under construction, as of December 31, 2025, which are expected to be available for occupancy in May 2026 (the “Construction ILUs”) (See Table 2 for further detail). For the purpose of the report, the Existing ILUs and the Construction ILUs are collectively referred to as the “Independent Living Units”.

The Community currently includes a healthcare neighborhood as part of the campus known as “Continuing Care at Windsor Run,” licensed for 46 nursing beds. Management currently operates the healthcare beds consisting of 36 nursing beds (“Existing Nursing Beds”) and 10 assisted living beds (“Existing Assisted Living Beds”). The Existing Nursing Beds and Existing Assisted Living Beds are collectively known as the “Existing Continuing Care Beds.” The Company plans to expand the Continuing Care at Windsor Run campus which would include, upon full build out, a 71-unit traditional assisted living (96 beds) (the “Future Assisted Living Beds” and the “Future Continuing Care Beds”). For the purposes of the report, the Existing Continuing Care Beds and Future Continuing Care Beds are collectively referred to as the “Continuing Care Beds”.

The Community Buildings includes dining options including multiple restaurants and a café, classrooms, activity spaces, beauty salon, aquatic and fitness center, and on-site medical center with services provided by both primary care practitioners and sub-specialists.

Future projects constructed by the Company are assumed to be financed internally through member contributions (as described later in this report).

The following table provides a summary of the anticipated full build out of the Community.

Unit/Bed Type	Units	Status
<i>Independent Living Units:</i>		
Existing ILUs ⁽¹⁾	803	In service
Construction ILUs	97	The project started in 2023 and is assumed to be available May 2026
Total Independent Living Units	900	
<i>Continuing Care Beds:</i>		
Existing Continuing Care Beds	46	In service
Future Assisted Living Beds	96	Construction is assumed to start in the second quarter 2028
Total Continuing Care Beds	142	
Community Total	1,042	

Source: Management

- (1) From time-to-time Management will combine or set aside for administrative purposes certain Independent Living Units, and for the purpose of the report Management has assumed approximately 875 total Independent Living Units to be available for occupancy during the projection period.

Detail of Future Project Timeline/Schedules

Management has begun the construction of the Construction ILUs, consisting of 97 additional independent living units (the “Building WRC-2.5 Project”).

The following table provides the actual and anticipated timeline for the Independent Living Units through completion.

Phase	Number of IL Units	Cumulative Number of Units	Start	Substantial Completion	Move In	Status
WRC 1.0/1.1/1.2	217	217	6/1/2016	5/1/2018	7/1/2018	In service
WRC 1.3	101	318	8/1/2017	6/1/2019	8/1/2019	In service
WRC 1.4	113	431	10/1/2019	7/1/2021	8/1/2021	In service
WRC 2.2	88	519	2/1/2021	7/1/2023	10/1/2023	In service
WRC 2.1	100	619	5/1/2021	10/1/2023	1/1/2024	In service
WRC 2.3	91	710	7/1/2022	9/1/2024	11/1/2024	In service
WRC 2.4	93	803	9/1/2023	10/1/2025	1/1/2026	In service
WRC 2.5	97	900	11/1/2023	4/26/2026	5/26/2026	Under construction

Source: Management

The following table provides the actual and anticipated timeline for construction, completion and move-in to the two phases of the Continuing Care Beds.

CC Phase	Number of Beds	Cumulative Number of Beds	Start	Substantial Completion	Move In / Licensing	Status
CC Phase I – NF/AL	46	46	10/1/2019	5/1/2021	8/1/2021	In service
CC Phase II – Future AL	96	142	5/1/2028	3/1/2030	5/1/2030	To be built

Source: Management

Existing Community Configuration

The Existing Independent Living Unit configuration, approximate square footages, Entrance Fees, and monthly fees (“Monthly Fees”) for the Existing ILUs and Construction ILUs are summarized in the following table.

Independent Living Unit Type	Existing ILUs⁽⁵⁾⁽⁶⁾	Construction ILUs⁽¹⁾⁽⁶⁾	Square Footage	90% Refundable Entrance Fee Plan⁽²⁾⁽³⁾	Monthly Fee⁽²⁾⁽⁴⁾
One-Bedroom Apartments	291	40	800 – 1,171	\$ 280,000 – 481,000	\$ 2,989 – 3,705
Two-Bedroom Apartments	512	57	1,106 – 2,048	\$ 423,000 – 1,149,000	\$ 3,638 – 6,028
Total/Weighted Average	803	97	1,223	\$ 532,517	\$ 3,916

Source: Management

- (1) The Construction ILUs are expected to be available for occupancy in May 2026.
- (2) Entrance Fees and Monthly Fees are effective as of January 1, 2026, and weighted averages are approximated.
- (3) Entrance Fees for the fully declining refund entrance fee plan range from approximately \$195,000 to \$337,000 for the one-bedroom apartments and range from approximately \$297,000 to \$805,000 for the two-bedroom apartments.
- (4) The second person Monthly Fee is an additional \$1,170.
- (5) Management assumes that 10 of the 803 Existing ILUs are to be used as catered living, for residents who require assistance with daily living.
- (6) From time-to-time Management will combine or set aside for administrative purposes certain Independent Living Units, and for the purpose of the report Management has assumed approximately 875 total Independent Living Units to be available for occupancy during the projection period.

The Existing Continuing Care Beds unit/bed configuration and assumed Monthly Fees are summarized in the following table:

Continuing Care Unit Type	Units ⁽¹⁾	Beds ⁽¹⁾	Monthly Fees ⁽²⁾⁽³⁾
Nursing	19	36	\$8,613 – \$10,277
Assisted Living	5	10	\$8,613 – \$10,277
Total Continuing Care Units/Beds	24	46	

Source: Management

- (1) All Existing Continuing Care Beds are licensed as nursing home beds but are also available for assisted living services.
- (2) The Monthly Fees are the same for both assisted living and nursing services as they follow the same base room rate pricing structure. In addition to the base rate, four levels of care are to be offered in continuing care as follows: enhanced service package is \$1,357 per month; premium service package is \$2,714 per month; deluxe service package is \$4,071 per month; and custom service package is \$6,134 per month. Total Monthly Fees would range from \$8,639- \$16,411, dependent on the base Monthly Fee plus the applicable level of care.
- (3) External admissions pay a non-refundable community fee of \$2,500 upon admission to the Continuing Care Beds.

Management and Marketing Agreement

The Company and the Manager have entered into a management and marketing agreement (the “Management and Marketing Agreement”) under which the Manager is required to provide all management services necessary to operate the Community, including but not limited to, financial management, record and report management, recruitment of personnel, supervision of the day-to-day operations and programs, building maintenance, and marketing of the Community.

As compensation for its performance under the Management and Marketing Agreement, the Company is obligated to pay the Manager a monthly fee equal to five percent (5.0%) of gross revenues of the Community (the “Management and Marketing Fee”).

Residence and Care Agreements

Reservation Process

Prospective residents of the Community are able to secure priority selection of a specific Independent Living Unit by placing a fully refundable, initial deposit of \$1,000 (the “Priority List Deposit” or “Non-Binding Reservation”) and completing a priority list application (the “Priority List Application”).

In order to reserve an Independent Living Unit, a prospective resident must execute a residence and care agreement (the “Residence and Care Agreement”), complete a profile application, provide self-disclosure of his or her finances and pay an Entrance Fee which consists of the following:

1. The Priority List Deposit;
2. A \$4,000 reservation deposit (the “Binding Reservation Deposit”), which is fully refundable, due when the prospective Resident reserves a unit type in a particular residential building;
3. A signing deposit, bringing the total to 10 percent of the total Entrance Fee, is due when the Resident signs the Residence and Care Agreement (“Reserved”); and
4. A final deposit, which is the remainder of the Entrance Fee after the prior deposits are paid (“Settled”), due when the Resident takes possession of the Independent Living Unit (the “Occupancy Date”).

Residence and Care Agreement

Under the terms of the Residence and Care Agreement, the Company generally accepts as residents (“Resident” or “Residents”) those persons at least 62 years of age at the time of occupancy (only one member of a couple must meet this requirement) who are able to care for themselves with limited or no assistance and are able to demonstrate the necessary financial resources to meet the Company’s minimum fee requirements. As defined in the Residence and Care Agreement, a Resident is required to pay an initial Entrance Fee and a Monthly Fee on an on-going basis. Payment of these amounts entitles Residents to occupy and use the residence.

The Independent Living Units

As provided in the Residence and Care Agreement, the Resident is entitled to the use of an Independent Living Unit and the following services and amenities:

- Monthly meal credit which allows for the purchase of one standard meal per day in the calendar month with a declining monetary balance as the credit is used;
- 24-hour security system with safety officers and emergency communications;
- All utilities;
- Basic cable television service;
- Local and long-distance telephone service;
- Wireless internet;
- One reserved parking space;
- On-site fitness center basic membership;
- Campus shuttle transportation;
- Scheduled local transportation;
- Maintenance and insurance of buildings, grounds and equipment;
- Insurance for the Independent Living Unit and all items in such unit, except items owned by the Resident;
- Sewage, trash and snow removal from common areas;
- Use of all public rooms and common areas; and,
- Priority access to the Continuing Care Beds.

The Resident may purchase additional services for additional fees including, but not limited to, tray service, housekeeping and laundry services, extra meals, guest meals and lodging.

Assisted Living

The Residence and Care Agreement is also utilized for assisted living care which includes the following services: at least three meals per day; fresh linens and personal laundry service; light housekeeping on a weekly basis; 24 hour security system with safety officers and emergency communications; all utilities; local and long-distance telephone service; basic cable television service; on-campus shuttle transportation; scheduled off-campus shuttle transportation; maintenance and insurance of buildings, grounds and equipment; and use of all public rooms and common areas.

In addition, several service packages are offered for assisted living care, but not limited to the following services: provision of supervision, verbal cuing and physical assistance in the performance of activities of daily living (as appropriate for the Resident's designated service package), including ambulation, personal hygiene, dressing, toileting and eating; prescription evaluation and planning; service plan designed by a care team; medication management; regularly schedule registered nurse review and assessment; assistance with incontinence care; regular social work team services related to cognitive, behavioral and safety issues; licensed nurse management of chronic/stable conditions on a regular basis.

Further details regarding the assisted living care services, including additional rights and obligations are addressed in an assisted living addendum to the Residence and Care Agreement.

Nursing

The Residence and Care Agreement is also utilized for nursing care. Services included in the daily fee for nursing care are to include: nursing care; prescription evaluation and planning; medication administration; service plan designed by a care team; three meals per day; regularly schedule Registered Nurse review and assessment; medically related social services; fresh linens and personal laundry

service; daily housekeeping services; planned recreation and activities; mental health services, as needed; incontinence care; assistance in obtaining dental services; flu shots; frequent involvement of licensed medical personnel to manage chronic conditions; 24 hour security system with safety officers and emergency communications; all utilities; local and long-distance telephone service; basic cable television service; campus shuttle transportation; maintenance and insurance of buildings, grounds and equipment; sewage and trash removal; and, use of all public rooms and common areas.

Entrance Fee Plan

The Company offers two Entrance Fee plans for occupancy of a Residence as follows. According to both Entrance Fee plans, the Entrance Fee is paid upon occupancy. In the event of a cancellation after occupancy, the Entrance Fee refund will be paid within 60 days of the date the Resident becomes eligible for a refund. Refunds of Entrance Fees for the 90 percent guaranteed refundable plan are projected to be paid in sequential order of the vacancy date from funds received from the resale of unit(s) for any Independent Living Unit at the Community, not limited to similar or like units, to a new resident or new residents providing sufficient proceeds for payment of the refund and for which there are no prior claims. Refunds, if any, for the fully declining refund plan are projected to be paid within 90 days of the vacancy date.

Refund Options	Amortization Schedule
“Plan A” – 90% Refund Plan	Upon termination of the Residence and Care Agreement, the Resident is refunded 90 percent of the Entrance Fee paid less any outstanding fees.
“Plan B” – Fully Declining Refund Plan	Upon termination of the Residence and Care Agreement, the Resident is refunded the Entrance Fee paid, less (i) four percent of the Entrance Fee (ii) and less an amount equal to two percent of the Entrance Fee per month for each month following the occupancy date. After 48 months of occupancy, no refund is available (iii) and outstanding fees.

Source: Management

The following table summarizes the assumed Entrance Fee Plans and refund utilization.

Entrance Fee Plan Type	<u>Existing Independent Living Units</u> Percentage of Residents	<u>Projected Independent Living Units</u> Percentage of Residents
90% Refundable Plan	74.6%	74.6%
Traditional Plan	25.4%	25.4%
Total	100.0%	100.0%

Source: Management

Health Care Benefit

If a Resident is unable to live independently within the range of the services provided in the Independent Living Unit, as determined by the staff in appropriate consultation with the medical director of the Community and in conjunction with the Resident's physician and family, the Resident will be transferred to a Continuing Care Bed, on either a temporary or permanent basis.

Upon permanent transfer, the Resident is responsible for paying the applicable per diem charge for the level of care required.

Terminations and Refunds

The Resident may terminate the Residence and Care Agreement within 30 days of execution of the Residence and Care Agreement or making an Entrance Fee deposit (the "Rescission Period"). The Company will refund the initial deposit less the cost of any resident requested unit modifications within 30 days following the Rescission Period or termination.

If a Resident terminates the Residence and Care Agreement after the Rescission Period and/or occupancy of the residence, the Company is required to pay the applicable refund within 60 days of the date the Resident becomes eligible for a refund ("Refund Eligibility"). Refund Eligibility under Plan A is established when the Residence and Care Agreement is terminated, the unit has been vacated and released, all outstanding obligations have been paid, and funds are available in the refund account. Refunds of Entrance Fees for Plan A are projected to be paid in sequential order of the vacancy date for the unit from funds received from the resale of unit(s) for any Independent Living Unit at the Community, not limited to similar or like units, to a new Resident or new Residents providing sufficient proceeds for payment of the refund and for which there are no prior claims. Refunds, if any, for Plan B are projected to be paid within 90 days of the vacancy date.

Summary of Significant Accounting Policies

Basis of Accounting – The Company maintains its accounting and financial records according to the accrual basis of accounting.

Use of Estimates – The preparation of prospective 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 amounts reported in the prospective financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents – Cash and cash equivalents includes cash on hand, amounts on deposit in banks and highly liquid debt instruments with a maturity of 90 days or less when purchased, excluding amounts whose use is limited. Financial instruments that potentially subject the Company to credit risk consist principally of cash, accounts receivable and investments. The Company maintains its cash in bank accounts which, at times, may exceed federally depository insurance (“FDIC”) limits. Management believes the credit risk associated with these deposits is minimal.

Accounts Receivable – The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment – Property and equipment are stated at cost less accumulated depreciation. Donated property is recorded at its estimated fair value at the time of receipt. Depreciation is computed using the straight-line method based on the following estimated useful lives:

Land improvements	15 years
Buildings	40 years
Furniture and equipment	3 to 15 years

Marketing Costs – Marketing and advertising costs are charged to operations when incurred by the Company in connection with acquiring new Residents of the Community.

Deferred Revenue from Entrance Fees – Entrance Fees paid by a Resident upon entering into a Residence and Care Agreement are recorded as deferred revenue and amortized into income using the straight-line method over the estimated remaining life expectancy of the Resident, adjusted on an annual basis. The estimated amount of the contractual refund obligations that are expected to be refunded in a subsequent year are classified as a current liability on the projected balance sheet.

Refundable Entrance Fees – Refundable Entrance Fees received are deferred and the refundable portion of the Entrance Fee is maintained as a liability, reflecting the Company’s future obligation for repayment.

Restricted Cash – Potential Residents sign a nonbinding reservation agreement with the Company and pay a deposit (the “Deposit”). The Deposits from Residents are kept in an escrow account in the Resident’s name and identification number. Any interest earnings will accumulate to the benefit of the Company.

Leases – In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to contracts (i.e., lessees and lessors). The standard requires lessees to apply a dual approach, classifying leases as whether finance or operating leases based on the principle of whether the lease is effectively a financed purchase by the lessees. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. The Company implemented the accounting standard in 2022 and determined that it has no material leases for the year ended December 31, 2025.

Summary of Revenue and Entrance Fee Assumptions*Community Cumulative Average Occupancy*

The following table presents the cumulative average annual occupancy at the Community by level of care.

Years Ended December 31,	Average Beds/Units Occupied			Average Occupancy Total	Average Occupancy Percentage
	Independent Living Units	Nursing Beds	Assisted Living Beds ⁽¹⁾		
2026	764.8	23.7	9.1	797.5	89.4%
2027	831.8	23.8	9.2	864.8	93.9%
2028	831.8	23.8	9.2	864.8	93.9%
2029	831.8	28.8	9.2	864.8	93.9%
2030	831.8	31.4	29.1	892.2	90.6%

Source: Management

(1) The Future Assisted Living Beds are assumed to be available for occupancy in fiscal year 2030.

Independent Living Unit Revenue

Service fee revenue for Residents in the Independent Living Units is based upon the assumed occupancy and the Monthly Fee of the respective units. The Independent Living Unit Monthly Fees are assumed to increase 3.0 percent annually during the projection period. The following table summarizes the assumed utilization of the Independent Living Units during the projection period.

Years Ended December 31,	Average Units Occupied ⁽²⁾	Average Units Available ^{(2) (3)}	Average Occupancy
2026 ⁽¹⁾	764.8	867.7	90.4%
2027	831.8	875.0	95.1%
2028	831.8	875.0	95.1%
2029	831.8	875.0	95.1%
2030	831.8	875.0	95.1%

Source: Management

(1) Independent Living Unit average occupancy for the year ended December 31, 2025 was 683.7 units.

(2) The average units available and occupied varies each year based on the opening of the future scheduled projects at the Community, which are subject to demand.

(3) From time-to-time Management will combine or set aside for administrative purposes certain Independent Living Units, and for the purpose of the report Management has assumed approximately 875 total Independent Living Units to be available for occupancy during the projection period.

The double occupancy percentage for the Independent Living Units is assumed to approximate 41.0 percent throughout the projection period.

Quarterly Move-in Schedule – Independent Living Units

The following table summarizes the fill-up assumptions of the Community's Existing ILUs and Construction ILUs during the projection period.

Table 9
Independent Living Units Fill-Up Schedule
(Move-ins)

	Existing ILUs	Construction ILUs	Cumulative Occupancy Total	Average Available Units ⁽³⁾	Cumulative Occupancy Percentage ⁽¹⁾
Fiscal Year/Quarter	Move-ins	Move-ins			
<i>Occupancy December 2025⁽²⁾</i>	683.7				
2026					
1 st Quarter	36.3	-	720.0	788.0	91.4%
2 nd Quarter	23.9	28.1	772.1	846.0	91.3%
3 rd Quarter	5.1	35.6	812.7	875.0	92.9%
4 th Quarter	-	19.0	831.8	875.0	95.1%
2027					
1 st Quarter	-	-	831.8	875.0	95.1%
2 nd Quarter	-	-	831.8	875.0	95.1%
3 rd Quarter	-	-	831.8	875.0	95.1%
4 th Quarter	-	-	831.8	875.0	95.1%
Total	749.1	82.7	831.8	875.0	95.1%

Source: Management

- (1) The average units available and occupied varies each year based on the opening of the future scheduled projects at the Community, which are subject to demand.
- (2) The December 2025 occupancy total represents the average occupancy for the month ended December 31, 2025.
- (3) From time-to-time Management will combine or set aside for administrative purposes certain Independent Living Units, and for the purpose of the report Management has assumed approximately 875 total Independent Living Units to be available for occupancy during the projection period.

Entrance Fees

The assumed number of Independent Living Units becoming available due to Resident turnover, the number of annual Resident Entrance Fee receipts and refunds, and the movement of Independent Living Unit Residents due to death, withdrawal or transfer are provided by Management.

Inflation on the Independent Living Units Entrance Fees are assumed to be 3.0 percent annually throughout the projection period. The following table presents the assumed initial and attrition Entrance Fees received and the total Entrance Fees refunded.

	2026	2027	2028	2029	2030
<i>Number of Entrance Fees Received</i>					
Initial – Existing ILUs (WRC-2.4)	65.4	-	-	-	-
Initial – Construction ILUs (WRC-2.5)	82.7	-	-	-	-
Attrition	47.7	60.3	68.6	76.9	79.0
Total Number of Entrance Fees Received	195.9	60.3	68.6	76.9	79.0
<i>Entrance Fees Received</i>					
Initial	\$ 72,560	\$ -	\$ -	\$ -	\$ -
Attrition	23,426	30,441	35,680	41,204	43,587
Total Entrance Fees Received	\$ 95,986	\$ 30,441	\$ 35,680	\$ 41,204	\$ 43,587
Total Entrance Fees Refunded	\$ (11,779)	\$ (16,524)	\$ (19,368)	\$ (22,367)	\$ (23,660)
Entrance Fees Received, Net of Refunds	\$ 84,270	\$ 13,917	\$ 16,312	\$ 18,837	\$ 19,927

Source: Management

Continuing Care Beds Revenue

The Existing Continuing Care Beds are licensed as nursing home beds but are also used for assisted living services. Management is licensed for a total of 46 nursing beds. For the purpose of the projection, Management plans to operate approximately 36 of the 46 existing licensed beds. The Continuing Care Bed Project provides for 96 Assisted Living Beds, anticipated to be licensed assisted living beds, which are assumed to be available for occupancy in May 2029.

Assisted Living Beds Revenue

Service fee revenue for Residents living in the Assisted Living Beds is based upon the assumed occupancy and the Monthly Fee of the respective units. The Assisted Living Beds Monthly Fees are assumed to increase 3.0 percent annually during the projection period. The assumed occupancy levels for the Assisted Living Beds are presented in the following table:

Table 11
Utilization of the Assisted Living Beds

Years Ended December 31,	Average Beds Occupied		Average Occupancy ⁽²⁾
	Occupied Beds	Average Beds Available ⁽¹⁾⁽²⁾	
2026	9.1	10.0	91.0%
2027	9.2	10.0	91.6%
2028	9.2	10.0	91.6%
2029	9.2	10.0	91.6%
2030	29.1	67.3	43.2%

Source: Management

- (1) The Continuing Care Bed Project provides for 96 Assisted Living Beds which are assumed to be available for occupancy in May 2030 .
- (2) Average beds occupied include both direct admits from outside the community and internal Resident transfers. Resident transfers are responsible for paying the applicable per diem charge for the level of care required.

Existing Nursing Beds Revenue

Service fee revenue for Residents living in the Existing Nursing Beds is based upon the assumed occupancy and the daily service fee of the respective bed. The Existing Nursing Bed daily service fees are assumed to increase 3.0 percent for private-pay Residents annually during the projection period. The assumed occupancy levels for the Existing Nursing Beds are presented in the following table.

Table 12
Utilization of the Existing Nursing Beds

Years Ended December 31,	Average Beds Occupied			Average Beds Available ⁽¹⁾	Average Occupancy ⁽¹⁾
	Direct Admits	Resident Transfers	Total		
2026	5.4	18.3	23.7	36.0	65.7%
2027	2.6	21.2	23.8	36.0	66.2%
2028	0.2	23.6	23.8	36.0	66.2%
2029	0.2	23.6	23.8	36.0	66.2%
2030	31.4	-	31.4	43.0	73.5%

Source: Management

- (1) Average beds occupied include both direct admits from outside the community and internal Resident transfers. Resident transfers are responsible for paying the applicable per diem charge for the level of care required.

Other Revenue

Management assumes meal revenue and other miscellaneous revenue to increase 3.0 percent annually throughout the projection period.

Investment Income

Interest earnings are assumed to approximate 1.10 percent annually throughout the projection period on the Company's cash and cash equivalents and restricted cash.

Summary of Operating Expense Assumptions

Management assumes all departmental, residential, assisted living, and long-term care expenses to increase approximately 3.0 percent annually throughout the projection period. The below table shows the assumed total number of FTEs in 2026 and 2030, the last year of the projection.

Department	2026 Budgeted FTEs		2030 Projected FTEs	
	Independent Living Units	Continuing Care Beds	Independent Living Units	Continuing Care Beds
Administration and general	14.5	3.8	14.5	9.0
Marketing	7.2	-	7.2	-
Dining	113.0	6.6	113.0	11.6
Facilities and maintenance	22.2	0.9	22.2	1.7
Laundry and housekeeping	24.0	2.0	24.0	6.7
Resident general services	18.8	4.3	48.8	9.6
Healthcare	1.3	22.9	1.3	35.2
Total FTE's	231.0	40.6	231.0	73.9

Source: Management

Other non-salary operating expenses are assumed to include ongoing marketing costs, raw food costs, utilities, supplies, maintenance and security contracts, building and general liability insurance, legal and accounting fees, real estate taxes and other miscellaneous expenses and are assumed to increase 3.0 percent annually throughout the projected period. Management and Marketing Fees are projected based on the payment provisions of the Management and Marketing Agreement.

Restricted Cash and Operating Reserve

The following restricted accounts represents funds required by the Company's statutory and contractual requirements:

Restricted Cash

Restricted cash consists of resident deposits held in escrow and funded with initial refundable deposits from prospective Residents to hold an Independent Living Unit and funds held for Residents.

Operating Reserve

Designated for statutory operating reserve fund, required by the North Carolina General Statute Section 58-64-33 maintain an operating reserve equal to 50 percent of the total operating expenses (adjusted for non-cash items) for the next 12 month period, or 25 percent of such total operating expenses (adjusted for non-cash items) if the occupancy exceeds 90 percent. Additionally, pursuant to updated statutory provisions, a provider that achieves a 12-month average independent living unit occupancy rate of at least 93 percent and either has no long-term debt or maintains a debt service coverage ratio in excess of 2.00 at its most recent fiscal year-end may be permitted to reduce the required operating reserve to 12.5 percent of total operating costs, subject to approval by the Commissioner.

Due to the timing and nature of the ongoing future projects, the NCDOI agreed to measure expansion units beginning six months after completion of the expansion project completion/occupancy. Additionally, the NCDOI has agreed to allow for a surety bond (the "Surety Bond") to satisfy the operating reserve fund requirement. During the year ended December 31, 2020, the Company purchased a Surety Bond to meet the requirement of the statutory operating reserve fund. Designated for the statutory operating reserve fund, the Company is subject to the requirements of North Carolina General Statutes governing continuing care retirement communities. For fiscal year 2025, the Company achieved a 12-month average independent living unit occupancy rate in excess of 93 percent and satisfied the applicable financial criteria. As a result, the required operating reserve has been reduced to 12.5 percent of total operating costs. As of December 31, 2025 the Surety Bond amount is approximately \$10,037,250. For purposes of the Compilation, the Company is projected to maintain a Surety Bond of approximately \$5,505,500 based on the projection of the operating results for the year end December 31, 2026.

For the purpose of the projection, Management is assumed to meet the statutory operating reserve requirements in all years of the projection period with the Surety Bond.

Property and Equipment and Depreciation Expense

The Company is to incur routine capital additions during the projection period that are to be capitalized as property and equipment. Depreciation expense for all capital assets is computed based on the straight-line method for buildings and equipment over estimated average useful lives of 30 and 15 years, respectively. The Company's property and equipment costs, net of accumulated depreciation, during the projection period are summarized in the table below.

Table 14
Schedule of Property and Equipment
(In Thousands)

Years Ended December 31,	2026	2027	2028	2029	2030
Property and equipment, Gross beginning balance	\$ 398,625	\$ 403,315	\$ 407,315	\$ 428,958	\$ 454,299
Project construction costs	881	-	17,443	20,931	6,977
Routine capital additions	3,809	4,000	4,200	4,410	4,630
Property and equipment, gross	\$ 403,315	\$ 407,315	\$ 428,958	\$ 454,299	\$ 465,906
Accumulated depreciation	(52,620)	(62,597)	(73,002)	(84,190)	(95,993)
Property and equipment, Net ending balance	\$ 350,695	\$ 344,718	\$ 355,956	\$ 370,109	\$ 369,913

Source: Management

Working Capital Loan

In 2020, the Company's operating agreement was amended and restated as part of the joint-venture agreement with the Parent. In the event the Company's operating expenses exceed the revenues, income, receipts, and cash flows of the Company for a given period, the terms of the amendment require the Parent to make a working capital loan (the "Working Capital Loan") to the Company in the amount of such net operating deficit. Interest accrues monthly on the Working Capital Loan balance at the prime rate less 0.25%. The prime rate was 6.50% as of December 31, 2025.

The following table presents the assumed annual debt service draw for the Working Capital Loan during the projection period.

Table 15
Working Capital Loan
(In Thousands)

Years Ended December 31,	2026	2027	2028	2029	2030
Working Capital Loan beginning balance	\$ 27,000	\$ 37,505	\$ 38,838	\$ 36,176	\$ 36,063
Draw (payments)	9,287	2,551	(2,662)	(113)	4,006
Interest expense	1,218	2,600	2,515	2,424	2,555
Interest payment	-	(3,818)	(2,515)	(2,424)	(2,555)
Ending balance	\$ 37,505	\$ 38,838	\$ 36,176	\$ 36,063	\$ 40,069

Source: Management

Parent Line of Credit

On June 30, 2021, the Parent closed on a \$1 billion credit facility with Truist Bank, which includes a \$400 million term loan and a revolving line of credit. In December 2023, the Parent exercised its option under the facility to increase the revolving line of credit from its original capacity from \$600 million to \$776 million. Then in January 2025, the Parent exercised its second amendment to the line of credit to increase the revolving line of credit from \$776 million to \$800 million (collectively, the “2021 Line of Credit”). The Company is a guarantor of this credit facility, along with most subsidiaries of the Parent.

Interest on the 2021 Line of Credit was LIBOR plus a varying spread, based on the outstanding loan to EBITDA. In connection with the phase out of LIBOR, the interest on the credit arrangement was amended to SOFR plus a varying spread, based on the outstanding loan to EBITDA in December 2023 as part of the amendment that was exercised to increase the capacity on the facility. Repayment of the loan portion of the 2021 Line of Credit is quarterly based on a 20-year amortization schedule and matures on November 14, 2030. The revolving line of credit portion of the 2021 Line of Credit has no repayment terms other than it must be paid in full on November 14, 2030. As of December 31, 2025, borrowings under the term loan were \$356,800,000 and borrowings under the revolving line of credit were \$967,000,000.

The 2021 Line of Credit contains financial performance covenants that require the Parent to maintain a minimum adjusted EBITDA, as defined in the 2021 Line of Credit agreement, minimum liquidity, and minimum occupancy percentages.

Resident Promissory Notes Receivable

Resident promissory notes receivable consists of short-term receivable from Residents related to payment of the final installment of their Entrance Fee. Often, there is a timing difference between the sale of a prospective Resident’s home and the due date of the final installment on the Resident’s Entrance Fee. In these cases, a short-term promissory note is issued by the Resident. Resident promissory notes receivable was \$5,649,000 on December 31, 2025. Management’s projection is based on historical information and trends.

Erickson Contribution and Distribution

Erickson made an initial capital contribution and will continue to make additional capital contributions to fund further development of the Company. Distributions of net operating cash flow from operations are made to each member based on their respective net operating cash flow percentages, as defined in the agreement. No distributions of net cash flows are permitted while there is an outstanding balance under the Working Capital Loan. Distributions of all resident entrance fees, net of refunds paid, and advance deposits as well as proceeds from any debt financing may only be distributed to Erickson. Distributions of net cash from capital transactions are first made to member pro rata until the capital contributions are returned and then to the members in proportion to their respective capital percentages.

Current Assets and Current Liabilities

Operating revenue, as used below, includes long-term care revenue, residential revenue, assisted living revenue and ancillary fees and other income revenue. Operating expenses exclude amortization,

depreciation, and interest expense. Management has assumed the following working capital components based on the Company's historical trends:

Table 16
Working Capital – Days on Hand

Accounts receivables, net	10	days of operating revenues
Prepaid expenses and other current assets	3	days of operating expenses
Accounts payable	18	days of operating expenses
Accrued expenses	14	days of operating expenses

Source: Management

Appendix C — Statement of Actuarial Opinion

Windsor Run is exempt from the actuarial study requirement pursuant to N.C. Gen. Stat. § 58-64A-210(2025).

Appendix D — Representative Contract(s)

***WINDSOR RUN
RESIDENCE AND CARE AGREEMENT***

June 2026

THIS MATTER INVOLVES A SUBSTANTIAL FINANCIAL INVESTMENT AND A LEGALLY BINDING CONTRACT. IN EVALUATING THE DISCLOSURE STATEMENT AND THE CONTRACT PRIOR TO ANY COMMITMENT, IT IS RECOMMENDED THAT YOU CONSULT WITH AN ATTORNEY AND FINANCIAL ADVISOR OF YOUR CHOICE, IF YOU SO ELECT, WHO CAN REVIEW THESE DOCUMENTS WITH YOU.

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SCHEDULE I - ANCILLARY FEES
SCHEDULE II- DOCUMENTS INCORPORATED

**WINDSOR RUN
RESIDENCE AND CARE AGREEMENT**

This Residence and Care Agreement (the “Agreement”) is made and entered into the _____ day of _____, _____ by and between WINDSOR RUN, LLC. (referred to in this Agreement as “We”, “us” or “Windsor Run”) and _____ (referred to in this Agreement as “You” or the “Resident(s)”).

RECITALS

R.1 Windsor Run Retirement Community (the “Community”) is a continuing care retirement community located in Matthews, North Carolina, offering various living accommodations and services to seniors, as described herein.

R.2 WINDSOR RUN is a certified continuing care provider under the laws of the State of North Carolina. WINDSOR RUN desires to provide certain services listed in this Agreement to Resident and Resident desires to receive such services.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. DESCRIPTION OF COMMUNITY

The Community is planned to include Independent Living Units, Assisted Living Units, and Nursing Units. The Community is a smoke-free campus and you agree to abide by our rules restricting smoking (see Section 13.7).

1.1 Independent Living Units. The Community currently includes approximately 700 Independent Living Units with the potential for additional Independent Living Units in future phases. The Community will also include community spaces such as dining areas, a beauty salon, classrooms, card rooms, lounges and other common areas. We also plan to feature amenities such as a center for on-site physician visits, a pool, and fitness center.

1.2 Continuing Care at Windsor Run. Continuing Care at Windsor Run refers to our on-site health care neighborhood. Each floor of the facility includes a dining room, a resident lounge, activity rooms and a bathing core. The initial phase of Continuing Care at Windsor Run includes approximately 7 Assisted Living Units and 22 Nursing Units, with different service packages including Memory Care Services in selected units. We anticipate that the aggregate number of Living Units will adequately serve the needs of Community residents. However, in the unusual circumstance that the Assisted Living Units are fully occupied, our Medical Director, or his or her designee, first will arrange for Ancillary Services to be offered in Resident’s Independent Living Unit and second, if necessary, will assist in arranging for a

transfer to an Off-Site Facility in the immediate area. See Section 8.4 for fees payable by you in the event of such a transfer. Continuing Care at Windsor Run is anticipated to open in 2021 but the opening date and number of units are approximate and may change according to regulatory requirements, weather conditions, market demands, etc. Until the facility is opened, we will enter into transfer agreements for residents with outside assisted living, memory care services, and nursing care.

Section 2. TERM

The Term of this Agreement shall commence on the date on which this Agreement is executed by you and us and shall continue for your lifetime unless the Agreement is terminated earlier per Section 12 of this Agreement.

Section 3. LIVING ACCOMMODATIONS

3.1 Your Right to Occupy. You have the right to occupy and to use the following Living Unit: _____, as-is, from the Occupancy Date to the Departure Date, subject to provisions for a change in accommodations as provided in Section 11 of this Agreement. You may not assign or sublet the right to occupy a Living Unit to any other person. We will provide the Living Unit, in good condition, with neutral painted walls, and with standard carpeting/ and or floors in Independent Living Units and Assisted Living Units.

3.2 Joint Residents. When two (2) or more residents enter into the same Residence and Care Agreement, they are considered to be Joint Residents. Each Joint Resident is required to meet our financial requirements for entrance into the Community, as well as our health qualifications for occupancy of a selected Living Unit, whether the prospective Joint Residents move to the Community together or on different dates.

3.3 Rights of New Spouse. If during the term of residency, you marry a person who is not a resident of the Community, your new spouse will be required to meet our financial and health-related qualifications for entrance into the Community. The financial qualifications are meant to serve as a financial protection for our larger community of residents. We reserve the right to determine the appropriate level of care within the Community for the spouse or to determine that there is not an appropriate level of care within the Community for the spouse. If your spouse is not accepted, you may terminate this Agreement per Section 12.2 hereof. If your spouse is accepted for residency, the fee structure described in Sections 7.3.2 and 8.2 for Joint Residents will apply.

3.4 Resident's Obligation to Furnish & Maintain Unit. You are responsible for furnishing the Independent Living Unit or the Assisted Living Unit, or for procuring insurance for personal possessions and furnishings. We will provide furnishings and equipment, if required by law, for Assisted Living Units. We will provide furnishings and equipment, as required by law, for Nursing Units. You are also responsible to maintain any Living Unit in which you reside in reasonably clean and habitable condition.

3.5 Customized Improvements. You may decorate the Living Unit to your personal taste with pictures, window treatments, and the like, so long as such decorations are not

permanent fixtures to the Unit or can be easily removed without damaging the structural integrity of the Unit. All other customized improvements to any Independent Living Unit or Assisted Living Unit that you want to undertake either before or after the Occupancy Date must be approved in writing by the Executive Director. If you contract with an outside contractor, the selection of your contractor and the proposed plans or work must be approved by the Executive Director. If you contract with us to do the work, we will sign a contract to agree upon the extent of work and the charges related to the work to be done. For charges related to the removal of any improvements, please see Section 9.4. No customized improvements may be made to a Nursing Unit.

Section 4. SERVICES TO RESIDENTS

We will make available the following services to you, as applicable, for the appropriate Monthly Service Package, during your residency here, unless the Agreement is terminated earlier per Section 12. We may change your Monthly Service Package or the scope of services or care only after we provide you with thirty (30) days advance notice of the change, except for changes required by State or Federal assistance programs.

4.1 Independent Living Services. We provide the following Covered Services included in the Monthly Service Package for Independent Living:

- Monthly Meal Credit Plan (see Section 15);
- 24 hour on-site staff and emergency alert system;
- All utilities in the Living Unit including these cable/ telephone/ data services:
 - Basic Cable television service (premium channels additional charge);
 - Local, Long Distance and International landline phone service;
 - Wireless internet service;
- On-site Fitness Center basic membership (includes standard weekly classes as scheduled);
- One Reserved Parking Space per Living Unit (see Section 15)
- General Maintenance of buildings, grounds and fixtures;
- Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
- Sewage, trash and snow removal from common areas only; and
- Use of all public rooms and common areas of the Community.

4.2 Assisted Living Services. Upon the opening of our Continuing Care building, we will provide several packages for Assisted Living residents to serve different care needs. The services listed below are included in most care packages but some services may not be available for certain care packages. Further details on the services available at each level of Assisted Living and additional rights and obligations in Assisted Living will be set forth in the Assisted Living Addendum to the Residence and Care Agreement:

- Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;

Prescription evaluation and planning;
 Service plan designed by a care team;
 Medication administration;
 At least three meals per day;
 Regularly scheduled Registered Nurse review and assessment;
 Personal laundry service;
 Weekly Light House-keeping (See Section 15);
 Assistance with Incontinence Care;
 Regular social work team services related to cognitive, behavioral and safety issues;
 Licensed nurse management of chronic/ stable conditions on a regular basis;
 24 hour on-site staff and emergency alert system;
 All utilities in the Living Unit including these cable/ telephone/ data services:
 Basic Cable television service (premium channels additional charge);
 Local, Long Distance and International landline phone service;
 Wireless internet service;
 General Maintenance of buildings, grounds and fixtures;
 Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
 Sewage, trash and snow removal from common areas only; and
 Use of all public rooms and common areas of the Community.

4.3 Memory Care Services. Upon the opening of our Continuing Care building, we will provide memory care services for residents to serve different care needs. The services listed below are included in most care packages but some services may not be available for certain care packages. Further details on the services available and additional rights and obligations will be set forth in a contract Addendum to the Residence and Care Agreement:

Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;
 Memory Care services/ programming
 Prescription evaluation and planning;
 Service plan designed by a care team;
 Medication administration;
 At least three meals per day;
 Regularly scheduled Registered Nurse review and assessment;
 Personal laundry service;
 Weekly Light House-keeping (See Section 15);
 Assistance with Incontinence Care;
 Regular social work team services related to cognitive, behavioral and safety issues;
 Licensed nurse management of chronic/ stable conditions on a regular basis;
 24 hour on-site staff and emergency alert system;
 All utilities in the Living Unit including these cable/ telephone/ data services:
 Basic Cable television service (premium channels additional charge);
 Local, Long Distance and International landline phone service;

Wireless internet service;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and snow removal from common areas only; and
Use of all public rooms and common areas of the Community.

4.4 Nursing Care Services. Upon the opening of our Continuing building, we will provide the following Covered Services included in the Nursing Fee. Further details on the services available for nursing care will be set forth in the Nursing Admission Addendum to the Residence and Care Agreement:

Nursing care;
Three meals a day;
Tray service;
Individual care plans;
Planned activities;
Social work services;
Laundry services for linens and towels owned by us;
Housekeeping;
Nurse/ Resident communication system;
Security/Safety Officers on duty 24 hours;
Basic Cable Service (premium channels additional charge);
All utilities in the Living Unit including these cable/ telephone/ data services:
 Basic Cable television service (premium channels additional charge);
 Local, Long Distance and International landline phone service;
 Wireless internet service;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and snow removal from common areas only; and
Use of all public rooms and common areas of the Community.

Section 5. ANCILLARY SERVICES

5.1 Services Available through WINDSOR RUN. In addition to the Covered Services described earlier in Sections 4.1, 4.2, 4.3, and 4.4, we expect to also make the following services available to you subject to availability as noted below. Other services that are not currently listed may also be available. Some of these services may be arranged and coordinated by Windsor Run but delivered by an outside provider depending on demand. We may change the scope of or fees charged for such Ancillary Services only after providing you with thirty (30) days advance notice, except for changes required by State or Federal assistance programs.

Meal Delivery service;
Housekeeping and laundry service for residents in Independent Living

Additional housekeeping or additional laundry service for residents in Assisted Living or units providing Memory Care Services;
Extra meals for residents in Independent Living (unless covered by Monthly Meal Credit as defined);
Guest meals (unless covered by Monthly Meal Credit as defined);
On-site Fitness Center premium services or classes;
Personal storage space (limited availability);
Second Reserved parking space (limited availability);
Off-campus transportation within a radius determined by us;
Catered Living services (See Section 15); and
Home support services

5.2 Services Available through Outside Providers. We expect to contract or make arrangements with outside providers to provide the following services to you at the Community: visiting physician services through an on-site center; laboratory services; medical supplies; prescription drugs, home health, therapy, rehab services and hospice care. These services will be provided at an additional fee and will be billed separately by the outside provider. Such services may be covered by Medicare or by resident's other medical insurance. We do not charge any additional fee for use of or access to these outside providers. These services will be phased in as the Community is developed and some services may not be immediately available.

5.3 Services Not Provided. We do not provide hospice care, acute hospital care, or any institutional care other than what we are licensed to provide in care that is appropriate in an Assisted Living Unit, a unit providing Memory Care Services, or a Nursing Unit, or otherwise covered under the terms of this Agreement. In addition, we do not expect to provide short-term rehabilitative care, including therapies or services typically delivered in skilled nursing or rehabilitation facilities following an illness, injury, or surgical procedure, as these currently fall outside the scope of services offered within the Community.

Section 6. OTHER RESIDENT RIGHTS

6.1 Residents' Association. You have the right to participate fully in a Residents' Association, or other organization of residents by whatever name designated and to meet privately to conduct business.

6.2 Resident Guests. You have the right to receive guests and visitors at the Community and to allow such guests and visitors to stay in an Independent Living Unit on a temporary basis, subject to our reasonable policies and procedures for use of the Community. Guest meals (unless covered by the Flex Monthly Meal Plan as defined) will be treated as an Ancillary Service, the costs of which are chargeable to you.

6.3 Physicians and Other Professionals. You have the right to select attending physicians and other health care professionals, provided such physicians or other health care professionals shall agree to follow our reasonable policies and procedures and applicable federal and state laws, rules and regulations. You are not required to use any of the on-site physician services.

Section 7. ENTRANCE FEE

7.1 Payment of Entrance Fee. You will pay or have paid to us a total Entrance Fee as shown in Section 16 of this Agreement. The payment of the Entrance Fee may be made in a series of deposits on or before taking occupancy of your Living Unit at the Community. For Joint Residents, the total Entrance Fee shall be deemed to be a joint asset of the Joint Residents with a right of survivorship and may be used for the care of either Joint Resident. Ten percent (10%) of the Entrance Fee is designated as the non-refundable Community Fee. The Community Fee is earned by the Community upon termination of this Agreement either by your death or pursuant to subsections 12.2 or 12.3 of this Agreement.

7.2 Escrow of Deposit and Release from Escrow. The deposits made by you towards the total Entrance Fee will be held in escrow in a banking institution in North Carolina, acting as an escrow agent. While held in escrow, Entrance Fees are considered the property of the prospective resident but any interest earned will be for the benefit of Windsor Run. Prior to occupancy of a Living Unit, Entrance Fees deposited in escrow will be returned to a prospective resident before occupancy: (i) within thirty days of the written request of the Resident; ii) if Resident is precluded from occupying a unit due to death, injury, incapacity, or illness; iii) if Resident is determined to be ineligible for entrance into the community; or iv) upon rescission of the Residence and Care Agreement pursuant to Section 12 of this Agreement.

As new buildings are developed, the escrow agent will release 25% of escrow monies to Windsor Run when 50% of independent living units in a building are pre-sold, permanent financing is secured, and entrance fees plus proceeds of financing equals 90% or more of the costs to construct and equip the facility and provide cash flow funds equal 90% or more of funds needed to fund start-up losses and assure full performance of obligations. Seventy-five (75%) percent of funds can be released to Windsor Run when 75% of independent living units in the building are presold with at least a 10% deposit, construction is complete and units available for occupancy.

When the Entrance Fee is released in full, we can fully use the Entrance Fee. We normally use the Entrance Fees for financing, operational costs, or future refunds for the Community. Appreciation in new Entrance Fees can generally be used for capital repairs or improvements for the Community, equity distributions, operational costs including rent, and for any reserve funds, but the Entrance Fees, including refundable, non-refundable and appreciation amounts, may be used for any required purpose. However, you will retain the right to the 90% Refund Amount as discussed in this Section 7. No interest shall be accrued or paid to you on your Entrance Fee.

7.3 Adjustments to Entrance Fee. You will not be required to pay an additional or increased Entrance Fee as long as you reside in your original Living Unit. You retain the right to the 90% Refund Amount, upon the termination of this Agreement, as discussed in Sections 7.4, 7.5, and 7.6 of this Agreement. Your Entrance Fee, minus the Community Fee, is also available for your maintenance and support as provided in Section 10.

7.3.1 If you request a permanent transfer from one Living Unit to another Living Unit with a higher Entrance Fee and we approve the transfer, you must pay to us an additional deposit for the new Living Unit to which you are transferring. The amount of the additional deposit will vary, depending on market conditions for your current Living Unit and for the desired new Living Unit at the time of the transfer and may be a full second Entrance Fee. We will advise you of the additional deposit/Entrance Fee prior to the transfer and you may then decide whether or not to proceed with the transfer. Ten percent (10%) of the additional deposit paid will be added to the Community Fee and will be non-refundable.

7.3.2 If your new spouse is accepted as a resident in the Community and is placed in a Living Unit other than your current Living Unit (see Section 3.2 of this Agreement), you and your new spouse must pay us an additional Entrance Fee for the spouse's Living Unit and the new spouse must sign a separate Residence and Care Agreement for the new Living Unit.

7.3.3 You will normally not be entitled to a refund or decrease of the Entrance Fee due to any temporary or permanent transfer, for whatever reason, during the Term of this Agreement. However, we may make a partial refund of the Entrance Fee, minus the Community Fee, to you in the following circumstances: 1) You transfer to a smaller Independent Living Unit than the Independent Living Unit which you currently occupy; and 2) the Entrance Fee for the smaller Independent Living Unit is currently lower than the Entrance Fee that you originally paid for an Independent Living Unit. In these specific circumstances, we may elect to refund the difference between the current Entrance Fee for your new Independent Living Unit and the original Entrance Fee paid by you but minus the Community Fee.

7.4 Refund of Entrance Fee Within Rescission Period or Prior to Occupancy. We shall pay a refund of the Entrance Fee to you or your representative, as appropriate, if the agreement is terminated within the thirty (30) day rescission period as described in section 12.1 hereof, regardless of whether you occupy the unit. In addition, we shall pay a refund of the Entrance Fee to you if the agreement is terminated after the rescission right expires but prior to the Occupancy Date as described in section 12.1. We will refund the Entrance Fee within thirty (30) days following the rescission or the pre-occupancy termination, as the case may be. If one joint resident dies prior to occupancy, the remaining resident may, but is not required to, rescind this agreement. The surviving resident may also request a different living unit and we will refund or charge any difference in the Entrance Fee between the living units; provided, however, that this election is made in writing at least thirty (30) days prior to occupancy. Per Section 9.1 of this Agreement, we may keep the Application Fee as a reasonable processing charge.

7.5 Refund of Entrance Fee after Occupancy. If you do not rescind the Agreement per Section 12.1 and you occupy the Living Unit after expiration of the rescission period and subject to the terms and conditions of this Agreement, then we shall pay the 90% Refund Amount as provided in this Section 7.5 and Section 7.6. Your refund will be equal to ninety percent (90%) of the total Entrance Fee unless: (i) the Entrance Fee, minus the Community Fee, has been partially or fully spent down for your care and maintenance per Section 10 of this

Agreement, or (ii) you or your representative, as the case may be, elect to deduct any outstanding fees and charges from the 90% Refund Amount for your convenience.

7.5.1 Termination By Resident During Lifetime. If you terminate the Agreement at any time after the Occupancy Date and the expiration of the right of rescission, we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per Section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in your refund form or, if there is no refund form, then to you as the resident. If one Joint Resident terminates that Joint Resident's agreement, there will be no refund of any portion of the Refund Amount; instead, so long as the remaining resident continues to reside at the Community, the Entrance Fee (minus the Community Fee) shall be deemed to have been paid entirely on behalf of the remaining resident to be used for the remaining resident's care if necessary, and the Refund Amount will eventually be paid to the remaining resident, to the beneficiaries named in the remaining resident's Refund Form, or to the remaining resident's estate.

7.5.2 Termination Due To Death of Resident. If you die after the Occupancy Date and the expiration of the right of rescission, we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per Section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in a refund form or, if there is no refund form, then to your estate. If one Joint Resident dies, there will be no refund of any portion of the 90% refund amount; instead, so long as a surviving resident continues to reside at the community, the Entrance Fee (minus the Community Fee) shall be deemed to have been paid entirely on behalf of the surviving resident to be used for the survivor's care if necessary, and the 90% Refund Amount will eventually be paid to the survivor, to the beneficiaries named in the survivor's refund form, or to the survivor's estate.

7.5.3 Termination by WINDSOR RUN. If we terminate the agreement for good cause (see subsection 12.3 of this Agreement), we will have earned the Community Fee and shall pay the 90% Refund Amount within sixty (60) days of the date that you become eligible for refund from the Refund Account per Section 7.6. We will pay the 90% Refund Amount to the duly designated beneficiaries named in your refund form or, if there is no refund form, then to you as the resident. If we terminate this Agreement without good cause (see subsection 12.3 of this Agreement), we will not earn the Community Fee.

7.6 Refund Account & Refund Eligibility. These provisions describe how we pay the 90% Refund Amount to you, your representative, or beneficiaries, as the case may be:

7.6.1 We have established a Refund Account for paying the 90% refund amount per the terms of this agreement. The Refund Account is funded by the receipt of all or a portion of new Entrance Fees from new residents who subscribe Participating Independent Living Units. Please see the definition of "Refund Account" in Section 15 for explanation on funding the Refund Account and Participating Independent Living

Units. When the Agreement terminates during your lifetime for any reason or if the Agreement terminates due to your death, you or your representative must (a) promptly vacate and remove all possessions from the Living Unit, (b) turn in the keys, (c) sign a Unit Release for the Living Unit, and (d) either pre-approve the final bill or, if you do not pre-approve the bill, then reach an agreement with us on the amount of the final bill. If you occupied any other Living Units at the Community, all previous units also must be vacated and released. When the foregoing steps are completed, we then assign you a refund number for the Refund Account.

7.6.2 We pay the 90% Refund Amount based on assigned refund numbers generally proceeding in sequential order. If you have the next assigned refund number in sequence, you are eligible for your 90% Refund Amount when: (i) your final bill has been generated and sent to you, (ii) you or your representative has paid your final bill, or, alternatively, has elected to have the final bill deducted from your refund, and (iii) the funds in the Refund Account are sufficient to fully pay the 90% Refund Amount to you.

Section 8. MONTHLY SERVICE PACKAGES

8.1 Monthly Service Package. During the term of this Agreement, you must pay the applicable Monthly Service Package for the Living Unit. As of the date of this Agreement, the applicable Monthly Service Package for Resident's current Living Unit is shown in Section 1 of this Agreement. The Monthly Service Package is due and payable each month, in advance, within five (5) days from the date of the monthly statement; provided, however, that the Monthly Service Package for the month during which you first take occupancy of the Living Unit shall be payable in arrears on a pro-rated basis with the payment of the Monthly Service Package for the first full calendar month occurring during the term of this Agreement. Our acceptance of partial payment of the Monthly Service Package does not constitute a waiver of such outstanding fees and charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

8.2 Monthly Service Package for Joint Residents. Joint Residents occupying the same Living Unit shall pay the appropriate Monthly Service Package for double occupancy of the Living Unit. If Joint Residents occupy different Living Units, both Residents shall be jointly and severally liable for the full Monthly Service Package for both Living Units. This fee structure applies to Joint Residents who move to the Community together and to a Resident and a non-resident who are accepted to the Community on different dates.

8.3 Adjustments to the Monthly Service Package. The Monthly Service Package or Nursing Fees may be revised from time to time. We normally use the Monthly Service Package to cover the expenses of providing covered services to Residents but we may use the Monthly Service Package for any other purpose. We generally adjust fees on an annual basis after having evaluated those factors that we perceive to be relevant to the costs associated with operating the Community and other financial requirements. Normally such changes will be made to become effective on January 1 of the next following calendar year. However, except for changes required by State or Federal assistance programs, we reserve the right, at any time, upon thirty (30) days' notice to you, to adjust the independent living Monthly Service Packages and

upon sixty (60) days' notice to adjust the Monthly Service Package or daily rates in Continuing Care to reflect any additional cost or liability for which there is no adequate, budgeted reserve, including, but not limited to, tax liability for real estate taxes relating to the Community, increased operating expenses and inflation. Notice to residents in Assisted Living or units providing Memory Care Services may be less than thirty (30) days only if the adjustment is due to change in your level of care.

8.4 Monthly Service Package in the Event of a Temporary Transfer. In the event that you temporarily transfer to another Living Unit in the Community or to an Off-Site Facility, you must pay the Monthly Service Package for your permanent Living Unit in addition to the Monthly Service Package for the temporary Living Unit or the Off-Site Facility, as the case may be. Payment of the Monthly Service Package for your permanent Living Unit assures that such permanent Living Unit will remain available to you during the time of the temporary transfer. The Monthly Service Package for a temporary Living Unit at the Community shall be prorated on a daily basis for the period of the temporary transfer.

During the period of the temporary transfer, your Monthly Service Package for the permanent Living Unit is adjusted as follows: (1) if a single Resident or one Joint Resident transfers, the Monthly Service Package will be reduced by a single Non-Occupancy Credit if applicable and defined in Section 15 of this Agreement, (2) if both Joint Residents transfer from a double occupancy Unit, the Monthly Service Package will be reduced by the two-person Non-Occupancy Credit if applicable, (3) if both Joint Residents transfer, one from a Living Unit and one from another Living Unit, each Resident's Monthly Service Package shall be reduced by the respective Non-Occupancy Credit if applicable.

Upon your return to the permanent Living Unit, you must continue to pay the current Monthly Service Package associated with such Living Unit.

8.5 Monthly Service Package in the Event of a Permanent Transfer to a Different Living Unit. If you permanently transfer from one Living Unit to another Living Unit at the Community, you are responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit as applicable, for the vacated Living Unit until you completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to us.

8.6 Monthly Service Package in the Event of a Termination of Agreement. If you terminate this Agreement, or if we terminate this Agreement for just cause in accordance with Section 12.3, or if this Agreement should terminate by reason of your death, then you or your estate, as the case may be, shall be responsible for the payment of the Monthly Service Package for the vacated Living Unit, less the Non-Occupancy Credit if applicable, for a period of up to and including ninety (90) days from the date that both of these conditions are fulfilled: (i) you vacate the Living Unit and remove all possessions, and (ii) you sign a Unit-Release Form for the Living Unit and return your keys. If you are a permanent resident of our Continuing Care at the time that residency is terminated for any reason, please refer to the applicable Continuing Care service addendum for the applicable policy. If your vacated Living Unit is re-subscribed by

another new resident in less than 90 days, then the Monthly Service Package will end on the Occupancy Date for that new resident. We do not automatically deduct the remaining Monthly Services Fees, Ancillary Fees, or other fees from the Refund of the Entrance Fee, minus the Community Fee, unless you or your representative so direct. Your final bill will be generated and sent to you following the expiration of the time period outlined in this Section 8.6.

Section 9. OTHER FEES, PERIODIC CHARGES, AND COSTS

9.1 Application Fee. You shall pay or have paid us an Application Fee, as indicated in Section 16, in connection with your application for residence at the Community. If the Agreement is rescinded or canceled prior to occupancy as described in Section 12.1, we will retain the Application Fee as a reasonable service charge, not to exceed the greater of \$1000.00 or two percent (2%) of the Entrance Fee.

9.2 Ancillary Services. During the term of this Agreement, you must pay us the periodic charges for any Ancillary Services (as described in Section 5) provided to you by us. The current periodic charges for Ancillary Services are attached in Schedule I. Ancillary Services charges are normally used by us to cover the expense of providing such Ancillary Services but we may use the Ancillary Services charges for any other purpose. We may revise the periodic charges for Ancillary Services that we provide from time to time, and such change shall take effect upon our giving you thirty (30) days' notice of such increase. The charges which are based on published rates for State or Federal assistance programs (for example, Medicare rates) shall be revised upon the effectiveness of changes to such rates. All Ancillary Services provided by us shall be billed on your monthly statement, and payment is due within five (5) days of your receipt of the monthly statement. Our acceptance of partial payment of the charges shall not constitute a waiver of the outstanding charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

9.3 Other Services. Ancillary Services not provided by us and any other services that you arrange independently shall be billed directly to you, and we are not responsible for payment of or collecting payment for such services.

9.4 Refurbishing a Vacated Living Unit and Repairing Extraordinary Damage. Each time that you permanently vacate an Independent Living Unit or Assisted Living or unit providing Memory Care Services, irrespective of the length of time of occupancy, we will perform work to clean, refurbish, and restore that Living Unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. The reasonable costs and expenses of this work (the "Refurbishing Charges") are charged as follows:

9.4.1 If you first entered the Community in an Independent Living Unit and you then permanently transfer from that Independent Living Unit to an Assisted Living Unit, to a unit providing Memory Care Services, or to a Nursing Unit, we will cover any

portion of the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.2 If you first entered the Community in an Independent Living Unit and you then permanently leave the Community from an Independent Living Unit, we will cover the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit, or removing customized improvements. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.3 If you transfer from one Independent Living Unit to another Independent Living Unit, or if you transfer from an Assisted Living Unit or from a unit providing Memory Care Services to any other Living Unit, or if you permanently leave the Community from an Assisted Living Unit or from a unit providing Memory Care Services, you are responsible to pay the full Refurbishing Charges.

9.4.4 If your last residence at the Community is a Nursing Unit and you either permanently leave the Community from that unit or you pass away, we will cover the full Refurbishing Charges for the Nursing Unit.

9.5 Medical and Other Insurance. You must procure and maintain in force at your own cost the following insurance coverages:

9.5.1 You shall maintain, at your expense, one of the following coverages for health insurance: (a) the maximum coverage available to you under Medicare, Parts A, B & D and including a supplemental Medigap insurance policy; (b) a Medicare Part C/ Medicare Advantage Plan (including a Part D plan), or (c) Documented equivalent coverage, if submitted and accepted by us, if you are not eligible for Medicare or are insured under other adequate programs. Supplemental insurance is not provided by us.

9.5.2 You must also procure and maintain, at your own expense, insurance coverage against damage of, loss to, or theft of your personal property (contents) maintained at the Community, including general liability coverage for personal liability and medical payments

should a claim be made or suit brought against you for damages because of a bodily injury, including death, or property damage caused by you. Such insurance shall include liability coverage for damage caused to the Living Unit or other living units or common areas which arise out of your negligent or intentional acts or omissions. We shall be responsible for insuring the building structures, common areas and building components, the Living Unit and fixtures in the Living Unit provided by us but not including any of your personal property. You are not included nor considered as an additional insured or co-insured under our policies. We reserve all rights of recovery or subrogation for damages caused to our property.

9.6 Funeral Arrangements and Burial Expenses. Funeral arrangements and burial expenses are your responsibility. We will not make such arrangements or provide such services.

9.7 Non-Solicitation of Employees. We expend significant resources on the hiring, training and development of our employees. Recognizing this expenditure, during the Term of the Agreement, you agree not to employ any person currently employed by us, either directly or indirectly by hiring the services of any such person through a third party. You also agree not to employ any person formerly employed by us, either directly or indirectly by hiring the services of any such person through a third party, until two years have elapsed from the employee's last date of employment with us. You further agree not to solicit any person employed by us to terminate his or her employment in order to work for you directly or indirectly through a third party.

Section 10. FINANCIAL INABILITY TO PAY

It is our policy not to terminate a resident's occupancy for the resident's financial inability to pay provided that the resident is otherwise in compliance with the terms of such resident's Residence and Care Agreement. To the extent that it is financially feasible, we will assist residents who are unable to pay full Monthly Service Packages by providing financial assistance as described in this Section 10.

To insure that our charitable intentions are equitably allocated for the benefit of as many residents as possible, we require that, in the event that you claim to be unable to make full monthly payment by reason of financial inability, you must take any or all of the following actions, as directed by the Executive Director. We have the right, but not the obligation, to initiate financial assistance if we independently determine that you need financial assistance.

10.1 If your sources of funds, including expenditures of principal and the guaranty, if any, are inadequate for you to make the payments required under this Agreement, you must file with the Executive Director, on appropriate forms provided by the Executive Director, a Statement of Financial Inability to Pay. As part of the Statement of Financial Inability, you must disclose your remaining available assets and income. The Executive Director will review your financial position to determine the existence of any outside assets, including any guaranty agreements, which may first be spent for your care.

10.2 If you have outside assets other than the Entrance Fee, the Executive Director will establish a Spending Plan for you to spend the outside assets and to obtain assistance from other

available means. If you can qualify, you will take the necessary steps to obtain county, state, and federal aid or assistance including Medicare, public assistance and any other public benefit program. You agree to execute any and all documents necessary to make and perfect such claims or rights. If you fail to cooperate with the Spending Plan for the outside assets, such failure may constitute good cause for termination of the Agreement due to non-payment of fees in accordance with Section 12.3 of this Agreement.

10.3 After you complete the Spending Plan or if you have no available assets other than the Entrance Fee, we will spend-down an amount up to the Entrance Fee minus the Community Fee. After depletion of outside assets, the Entrance Fee (less the Community Fee) is considered available to you for your maintenance and support. You may access these amounts, without moving from the Community, to pay any and all fees at the Community including any Monthly Service Packages or to pay another provider for support and maintenance if your income and other resources are insufficient to pay for support and maintenance. The Executive Director will notify you when spend-down is available and will give the effective date. You will receive periodic statements reflecting the remaining balance of the Entrance Fee (less the Community Fee).

10.4 Upon completion of the spend-down, you may qualify for assistance from a resident benevolent care fund, when established and to the extent that it is financially feasible. If you are approved for such assistance, the Executive Director shall inform you of the amount which the resident benevolent care fund will contribute to the monthly fees and the amount which you must contribute to the Monthly Service Package.

10.5 If requested by us, you will transfer to an alternate Living Unit at the Community if and when available.

10.6 You will provide periodic statements of financial condition and copies of income tax returns as the same may be requested from time to time by us. You will notify us of any and all assets acquired by you through any means thereafter, and you will assign or pay such property received to us in an amount equivalent to the total outstanding charges and fees, owed by you.

10.7 At present, we are not authorized to accept Medicaid for payment of Monthly Service Packages for any Living Units. If in the future we are able to accept Medicaid as a payment source, then you agree to also apply for Medicaid if you can qualify. When you are notified by the Executive Director approximately three months before the projected depletion of your remaining Entrance Fee (less the Community Fee), you agree to immediately apply for Medicaid if available. You also agree to execute any and all documents necessary to make and perfect such claims or rights.

Section 11. TRANSFERS

11.1 Temporary and Permanent Transfers. For purposes of this Agreement, a temporary transfer is a transfer of an anticipated finite duration. During a temporary transfer, your permanent Living Unit shall remain available to you as long as you continue to pay the Monthly Service Package in accordance with Section 8.4. A permanent transfer is a transfer of

indeterminate duration. During a permanent transfer, you will be requested to release the Living Unit. After a permanent transfer, if you are able to qualify to return to the Living Unit previously occupied at the Community or to a different, medically appropriate Living Unit at the Community, you shall have the right to occupy the Living Unit subject to the availability of such Living Unit, subject to our approval.

11.2 Transfer at the Election of Resident. You may elect to transfer, on a temporary or permanent basis, to an alternate Independent Living Unit, an Assisted Living Unit, to a unit providing Memory Care Services, Nursing Unit, or an Off-Site Facility by giving notice to us. All transfers within the Community shall be subject to the availability of the elected alternate Living Unit and subject to our approval.

11.3 Transfer at the Election of WINDSOR RUN - Non-Emergency. All decisions regarding a transfer of any resident, except for emergency transfers, shall be made by a committee consisting of the Executive Director (or his or her designee) and the Medical Director (or his or her designee) (collectively referred to as the “Committee”). The Committee will consult with you or your legal representative. If you have a Guarantor or ombudsman, such person also will be consulted if you so request. We attempt to interact with you or your representative with the goal of achieving a consensus on the need for a transfer although a consensus is not always achieved.

You will not be transferred, temporarily or permanently, to a different Living Unit unless (1) in the opinion of the Committee, such transfer is deemed appropriate for the protection of your health and/or safety or the general and/or economic welfare of other residents, (2) in the opinion of the Committee, the transfer is deemed necessary due to financial inability to pay the Monthly Service Package, or (3) in the case of a permanent transfer to an Off-Site Facility that provides treatment for mental disorders, the need for such transfer is certified by two physicians or one physician and one psychologist. If you are transferring due to event (1) or (3) listed above and the Living Unit is occupied by a Joint Resident, the remaining Joint Resident may continue to occupy the Living Unit.

The Committee shall give you thirty (30) days advance written notice of the proposed transfer. You or your representative shall notify us of any objection to the permanent transfer within ten (10) days of receipt of the notice. If you or your representative do not consent to the transfer, the Committee may, in its discretion and in lieu of a transfer, require Ancillary Services be provided to you if a higher level of care is deemed appropriate in the opinion of the Committee for the protection of your health and safety or the welfare of other residents. If you or your representative do not consent to either the transfer or the provision of Ancillary Services, we may consider such refusal to constitute just cause to terminate the Agreement in accordance with Section 12.3 hereof.

11.4 Transfer at the Election of WINDSOR RUN - Emergency. If your health and safety or the health and safety of other residents require immediate action, the Executive Director with the approval, if reasonably obtainable, of the Medical Director, may transfer you from your current Living Unit to a different Living Unit or an Off-Site Facility, on a temporary or

permanent basis. Emergency circumstances arise when there is a danger of immediate, irreparable harm to your health and safety or to the health and safety of other people at the Community. In the event that you are required to be transferred to Continuing Care at Windsor Run during a period that you are suffering from legal incompetency, you agree to be bound by the terms of the Agreement in effect at the time of such transfer.

11.5 Use of Living Unit. In the event of a temporary transfer, whether at your election or at our election, your prior Living Unit will remain available to you as long as you continue to pay the Monthly Service Package for the permanent Living Unit in accordance with Section 8.4 hereof.

In the event of a permanent transfer, whether at your election or our election, you or your representative shall sign Living Unit Release Transfer form unless you are one of Joint Residents and the other Joint Resident remains in the Living Unit. After receipt of notice of permanent transfer, you shall take all reasonable steps to vacate the Living Unit before the date set for the transfer. You or your representative shall then be responsible for vacating the Living Unit and removing all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the Departure Date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a transfer by us, within sixty (60) days from the notice of transfer, we shall have the right to store your possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 12. TERMINATION

12.1 Termination Within Rescission Period or Prior to Occupancy. Either party may terminate the Agreement in the following circumstances:

12.1.1 You may rescind this Agreement within thirty (30) days of the later of the date you received the Windsor Run Disclosure Statement or the date you executed this Agreement (you are not required to move into the Living Unit before the expiration of the later thirty (30) day period). However, should you elect to occupy the Living Unit prior to the expiration of the thirty (30) day rescission period, such occupancy shall not be considered a waiver of the rescission period;

12.1.2 Your Agreement will be automatically canceled if you die before occupying the Living Unit or are precluded from occupying the Living Unit due to illness, injury, or incapacity; or

12.1.3 We elect to terminate the Agreement if it is determined that you are ineligible for entrance into the Community.

If the Agreement is rescinded or terminated as provided in this Section 12.1, you shall receive a refund of the Entrance Fee as described in Section 7.4. You will not receive a refund of any costs specifically incurred by us at your request as set forth in a separate written addendum, signed by both parties. You shall not receive a refund of any Monthly Service Package related to your actual occupancy of the Living Unit.

12.2 Termination by Resident. After occupancy and after the expiration of the rescission period described in Section 12.1, you may terminate this Agreement at any time and for any reason by giving sixty (60) days' notice to us of your intention to terminate.

12.3 Termination by WINDSOR RUN. Our decision to terminate this Agreement shall be made by the Executive Director of the Community. We may not terminate this Agreement without good cause. "Good cause" is defined as: (i) non-payment of Fees including non-payment of the Entrance Fee; (ii) a good faith determination in writing, signed by the Executive Director and Medical Director of the Community, that you are a danger to yourself or others while remaining in the Community; (iii) repeated conduct by you that interferes with other residents' quiet enjoyment of the Community; (iv) persistent refusal to comply with reasonable written rules and regulations of the Community; (v) a material misrepresentation made intentionally or recklessly by you in your application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either your failure to qualify for residency or a material increase in the cost of providing care and service to you under the Agreement; or (vi) your material breach of the terms and conditions of this Agreement.

Except for termination due to non-payment of fees, we will give you sixty (60) days written notice of the termination and the reason for termination. In the event of non-payment of fees, we will give you written notice that you are in default under this Agreement for non-payment of fees. We may charge you interest on the overdue amount of one and one-half percent (1 ½ %) per month. If you fail to make full payment of all outstanding fees and charges within thirty (30) days of receipt of the notice, we may, at our election, either terminate the Agreement upon an additional thirty (30) days' notice or may require a spend-down of the Entrance Fee, in accordance with the Community's spend-down procedures as generally set forth in Section 10 of this Agreement, to offset the overdue fees and charges. Our acceptance of partial payment of the fees does not constitute a waiver of the outstanding fees and charges unless we agree to a waiver in writing.

12.4 Vacating the Living Unit. Upon termination of the Agreement either at your election, our election, or due to your death, you or your representative, shall sign and give to us Unit Release Form advising of your Departure Date. You or your representative shall then be responsible to vacate the Living Unit and to remove all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a termination by us within the required time for the notice of termination as provided in Section 12.3, we shall have the right to store your possessions in a general storage area at the Community

or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 13. RIGHTS OF WINDSOR RUN

13.1 Community Rules and Regulations. We shall have the right to promulgate reasonable rules and regulations governing the conduct of the residents. You agree and acknowledge that you have received such rules and regulations including those in our current Resident Handbook (as they may be further amended). You will enjoy the fullest measure of independence consistent with the accommodation in which you live, subject, however, to the limitations of our reasonable rules and regulations now or hereafter adopted for the conduct and care of all residents. You hereby agree to abide by all such rules and regulations, and generally to conduct yourself in such a manner as to promote the peace and harmony of the Community.

13.2 Access to Living Units at the Community. You acknowledge and accept our ability and authority to enter the Living Unit in order to carry out the purpose and intent of this Agreement and you hereby authorize such entry. Such entry includes (1) performance of authorized housekeeping duties; (2) response to medical emergencies; (3) responses to fire protection systems; (4) entry by authorized personnel in the event that you are reported missing or have not responded to a call; (5) scheduled maintenance activities; (6) to fix, repair, maintain, or update building elements in common which would include plumbing, drywall, electrical system, HVAC, or similar and (7) enforcement of the Community's policies and procedures. We acknowledge and respect your right to privacy and agree to limit uninvited entry into the Living Unit at the Community to the situations set forth in this paragraph.

13.3 Property Rights. You acknowledge that, except as expressly set forth in this Agreement, the rights and privileges granted by this Agreement do not include any right, title, lease, or any other interest in any part of the personal property or real property - including land, buildings and improvements - owned, leased or administered by us. Your rights are limited to the rights provided in this Agreement for services and the occupancy of the Living Units. Except for your right to occupy the Living Unit, any rights, privileges or benefits under this Agreement shall be subordinate to any mortgage or deed of trust or leasehold interest on any of the premises or interest in our real and personal property, to all amendments, modifications, replacement or refunding, of any such mortgage or deed of trust or leasehold interest, and to such reasonable rules and regulations governing the use of the property as shall from time to time be imposed by us. You hereby agree, upon our request, to execute and deliver any document which is required to this effect by us, or by the holder of such mortgage or deed of trust or leasehold interest to effect such subordination or to evidence the same, and appoint WINDSOR RUN as your attorney-in-fact to accomplish that purpose.

13.4 Limitation of Liability. We will not be responsible for the loss of any of your personal property due to theft or any other cause. Our liability for damage to or loss of your personal property shall be limited to damage or loss caused by negligent acts or omissions of us or our employees acting within the scope of their employment.

13.5 Unauthorized Transfers of Property. The financial information which you submitted is a material aspect upon which we reasonably relied in determining your qualifications for becoming a resident of the Community. Being able to meet the financial criteria to become a resident helps assure the financial stability of this Community. In determining financial criteria for residency, we consider the applicant's reported income and assets in light of the Community's current and future commitments and obligations. Furthermore, we are committed to take every reasonable step to assist residents who have depleted those assets through normal living expenditures so that he or she may continue to remain as a resident of the Community. However, in order to protect us from a situation wherein a resident divests him/herself of those assets for the purpose of qualifying for assistance or reduction of Monthly Service Packages, you hereby agree not to divest yourself of, to sell, or transfer any assets or property interests (excluding expenditures for your normal living expenses) that reduces the assets that you or your representative disclosed as available assets for you on admission, without having first obtained our written consent.

13.6 Religious Affiliation and Sponsorship. Windsor Run is a for-profit limited liability company. Windsor Run is not affiliated with any religious organization.

13.7 Non-Smoking Policy. You agree to abide by our prohibition against smoking including vaping or e-smoking in the Living Unit, including balconies or patios, and in common areas. Your guests, or contractors are also prohibited from smoking, including vaping or e-smoking in the Living Unit or in the common areas of the Community. You further understand that we may consider your failure to abide by the non-smoking policy as cause to terminate the Residence and Care Agreement.

Section 14. MISCELLANEOUS PROVISIONS

14.1 Documents Incorporated by Reference. This Agreement includes the Arbitration Agreement, Nursing Arbitration Agreement, Priority List Application for residence, the Financial Information Form, the Resident Profile, including Resident's medical records, if any, the Key Receipt Form, the Refund Form, and the Club Membership application. This Agreement may include a Promissory Note, a Guaranty Agreement, Catered Living Addendum, a Power of Attorney for property disposition, an Advance Directive, Appointment of Health Care Agent, or Living Will, and your medical insurance documentation, all of which documents are incorporated by reference and made a part of this Agreement (see Schedule II attached hereto). You acknowledge that we will rely on your statements in these documents and you warrant that all statements are true and complete to the best of your knowledge, information and belief.

14.2 Rules of Construction. In this Agreement, the masculine, feminine and neuter genders shall be construed to be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Similarly, the singular and plural shall be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Section captions are for ease of reference only.

14.3 Non-waiver. The failure of any party in any one or more instances to insist on the strict performance, observance or compliance by the other party with any of the terms or provisions of this Agreement, shall not be a continuing waiver thereof nor construed to be a waiver or relinquishment by a party of its rights to insist upon strict compliance by the other party with all of the terms and provisions of this Agreement.

14.4 Entire Agreement. This Agreement, the documents referenced in Section 14.1, and the terms of the Disclosure Statement in effect for the Community, represents the entire agreement between us, you and Guarantor, if any, and supersedes all prior Agreements and negotiations. Except as contained herein or in any contemporaneous, written agreements, there are no promises or agreements between the parties.

14.5 Amendment. This Agreement shall be amended only in writing, signed by you and us.

14.6 Disclosure Statement. You hereby acknowledge that you received the latest disclosure statement of Windsor Run prior to signing this Agreement or before transferring any money to Windsor Run, whichever is earlier, and that you have reviewed such statement.

14.7 Severability. The invalidity or unenforceability of any provision of this Agreement or the application of any such provision, shall not affect or impair any other provisions or the validity or enforceability of the remainder of this Agreement, or any application of any other provision of the remainder of this Agreement; however, you, to the extent provided by law, retain the right to rescind this Agreement if any provision is in violation of the laws of the State of North Carolina, as amended from time to time.

14.8 Paragraph Headings. Paragraph headings are added solely to aid in the review of this Agreement and are not to be construed to affect the interpretation of this Agreement.

14.9 Dispute Resolution.

14.9.1 Simultaneously with the signing of this Agreement, the parties shall enter into an Arbitration Agreement, which is attached hereto and incorporated herein by reference. Pursuant to the Arbitration Agreement, all parties agree that all Claims other than Excluded Claims (as such terms are defined in the Arbitration Agreement) shall be resolved through binding, individual arbitration in accordance with the terms of the Arbitration Agreement; provided that Claims involving or asserted by Joint Residents may be adjudicated in the same arbitration proceeding. The parties further agree that venue for the adjudication of any Excluded Claims shall be in Mecklenburg County, North Carolina.

14.9.2 Notwithstanding the foregoing, if you occupy a Nursing Unit (whether temporarily or permanently), you (or your legal representative, individually and on your behalf) may elect to enter into a separate Nursing Arbitration Agreement with respect to claims arising out of or related to the Nursing Facility Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit, but entering into the Nursing Arbitration

Agreement will not be a condition of admission to or a requirement for continuing to receive care in the Nursing Unit. The Nursing Arbitration Agreement, if entered into, will be incorporated herein by reference. If you do not enter into the Nursing Arbitration Agreement (or if the Nursing Arbitration Agreement is not entered into on your behalf), venue for any action for the enforcement, construction, termination of, or any action arising out of or related to the Nursing Contract Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit shall be in Mecklenburg County, North Carolina.

14.9.3 All parties agree that the filing of any arbitration demand pursuant to the Arbitration Agreement or the Nursing Arbitration Agreement or of any action not subject to either arbitration agreement may include a request for an expedited hearing.

14.10 Assignment. In the event that we or any of our successors or assigns shall give Resident notice that any or all of our rights, duties and obligations have been assigned to a new person or entity certified as a continuing care provider under the laws of North Carolina by the North Carolina Department of Insurance to provide services to residents of the Community, you agree to recognize such new person or entity as the provider under this Agreement, to the extent of such assignment.

14.11 Electronic Signatures & Counter-Parts. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

14.12 Survival. The provisions of Sections 7, 8, 9, 12, 13, 14, and 15 shall survive any termination of this Agreement. Additionally, any obligation, or liability of either party under this Agreement or under any ancillary agreement executed in connection herewith, or any subsequent addenda hereto that by its nature and context are intended to survive the termination of the Agreement, shall survive the termination of this Agreement.

Section 15. DEFINITIONS

Whenever the following words or phrases appear in this Agreement beginning with a capital letter, these definitions shall apply:

Act: The North Carolina Continuing Care Retirement Community Regulation and Financial Disclosure Act, as the same shall be amended and in effect from time to time hereunder.

Agreement: This document, including all exhibits, supplements, amendments or addenda, as signed by us, you, and Guarantor, if any.

Ancillary Services: Those services specified in Section 5 of this Agreement which either we provide or are provided by approved outside providers, the cost of which is not included in the Monthly Service Package or Nursing Fees. Periodic charges for Ancillary Services may be changed from time to time by us as specified in Section 9.2 or by the outside providers.

Application Fee: The fee payable when you submit an application for residency at the Community or for a position on the futures or standby list.

Assisted Living Unit: Accommodations for residents who need a higher level of care and more daily assistance than is available in an Independent Living Unit, but who need a lesser degree of medical care, personal care and service than is provided in a Nursing Unit.

Catered Living: Catered Living services are offered only to those residents who occupy designated Independent Living Units and sign a Catered Living Addendum which will include further detail on services. In general, Catered Living offers residents supportive services including supervision, cuing and limited assistance with the activities of daily living, medication reminders; resident Services Coordinator services, light housekeeping care, planned group activities and a meal plan. Catered living services will be offered on a temporary basis.

Community: The physical site and structures which we operate as a retirement community in Matthews, North Carolina.

Community Fee: The Community Fee is defined as ten percent (10%) of the original Entrance Fee paid by you at admission. The Community Fee is earned by the Community upon termination of this Agreement either by your death or pursuant to subsections 12.2 or 12.3 of this Agreement. If you later transfer to a Living Unit with a larger Entrance Fee and paid an additional sum towards the larger Entrance Fee, then the Community Fee is defined as ten percent (10%) of your original Entrance Fee paid at admission plus ten percent (10%) of the incremental Entrance Fee paid by you on transfer to the Living Unit with the larger Entrance Fee. The Community Fee does not decrease if you move to a Living Unit with a lower Entrance Fee.

Continuing Care at Windsor Run: The Community building in which the Assisted Living Units, units providing Memory Care Services, and Nursing Units will be situated. The Continuing Care facility is licensed for assisted living, and memory care and long-term care nursing, but is not licensed to provide skilled nursing, long-term care nursing, chronic or acute hospital care or other institutional care. Such services, if required by you, are not services covered under the scope of this Agreement.

Covered Services: Those services specified in Section 4 of this Agreement which we make available for the applicable Monthly Service Package or Nursing Fees.

Departure Date: The date on which you or, in the event of your death, your personal representative or family, vacates the Living Unit after providing us with a signed Unit Release

Form, removing all possessions from such Living Unit, and turning in the Living Unit keys. If you or your personal representative or family do not timely provide us with a signed Unit Release Form, remove the possessions, or turn in the keys, the Departure Date shall be the date on which we remove all possessions from the Living Unit and places them in a general storage area at the Community or in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Entrance Fee: The Entrance Fee required to be paid to us on or before the Occupancy Date as set forth in Section 7.1 of this Agreement, as may be modified, which Entrance Fee is generally paid in a series of deposits. The 10% Community Fee is deducted from the Entrance Fee.

Executive Director: The chief administrative officer of the Community appointed as such by Windsor Run.

Guarantor: Any person or persons who guarantee your obligations to pay the Monthly Service Package or any other fees or periodic charges payable by you under the terms of this Agreement.

Independent Living Unit: Living accommodations at the Community for a resident who is able to live independently within our guidelines.

Joint Residents: Two or more residents who enter into the same Residence and Care Agreement.

Living Unit: An Independent Living Unit, Assisted Living Unit, a unit providing Memory Care Services, or Nursing Unit.

Medical Director: A licensed physician whom we officially designate as the person responsible for the direction and control of medical services offered at the Community.

Memory Care Services: Services or programming for a resident who is unable to perform normal functions necessary to live in an Independent Living Unit and needs programming for dementia or similar memory care disorders but who needs a lesser degree of medical care, personal care and service than is provided in a Nursing Unit.

Monthly Meal Credit Plan: The standard meal plan for residents in Independent Living Units. Each Resident has a monthly meal credit which allows purchase of one standard meal per day in the calendar month with a declining monetary balance as the credit is used. In addition to offering premium meals, the community will always have a selection of meal offerings at the standard daily credit amount. You may use the meal credit on a daily basis or as otherwise desired through the calendar month until the allowance is exhausted for that calendar month. The meal credit may also be used by you for guest meals during the calendar month. At the beginning of each calendar month, you receive a new credit balance for that new month. If you

do not use the all of the meal credit within the calendar month, any unused portion is forfeited, does not carry over to the next month, and no credit will be due to you.

Monthly Service Package: The fee payable with respect to a particular Living Unit as specified in Section 8.1 hereof, which fee includes the Covered Services specified in Section 4 hereof. Monthly Service Packages may be adjusted as provided in Section 8.3 hereof.

(Ninety Percent) 90% Refund Amount: The refund payable to you or your beneficiaries, as the case may be, upon termination of this Agreement. Your refund will be equal to ninety percent (90%) of the total Entrance Fee unless: (i) the Entrance Fee, minus the Community Fee, has been partially or fully spent down for your care per Section 10 of this Agreement, or (ii) you or your representative, as the case may be, elect to deduct the outstanding fees and charges from the 90% Refund Amount for your convenience.

Non-Occupancy Credit: You may receive a Non-Occupancy Credit to reduce your Monthly Service Package when you are, or if one of Joint Residents, then the Joint Residents are, transferred temporarily to a different Living Unit. You may receive a Non-Occupancy Credit upon request in other circumstances in the sole discretion of the Executive Director. The current Non-Occupancy Credit is provided on Schedule I, Ancillary Fee Schedule. Adjustments to and policies concerning the Non-Occupancy Credit are made by us in our sole discretion. Credit is given based on the required consecutive days of absence.

Notice: For the purposes of this Agreement, notice shall be deemed to have been given to you when deposited in your community mailbox or personally delivered to you, and given to Windsor Run when either personally delivered or delivered with return receipt to the office of the Executive Director at the Community and to General Counsel at the corporate office situated at 701 Maiden Choice Lane, Baltimore, Maryland 21228. If you have not yet taken possession of the Living Unit, then notice to you shall be given by first-class mail, postage pre-paid, to your last known address and such notice shall be deemed to be effective on the third day following such mailing. If you have been transferred to an Off-Site Facility, notice shall be given by first-class mail, postage pre-paid, to you at such Off-Site Facility and shall be deemed to be effective on the third day following such mailing.

Nursing Fee: A rate based on the type of Nursing Unit occupied and Entrance Fee level for the Resident. Fees for care in a Nursing Unit are determined by us based on nursing personnel costs and other financial considerations. Adjustments to the Nursing Fee shall be made in accordance with Section 8.3.

Nursing Unit: Room accommodations for a resident who is unable to perform normal functions necessary to live in an Independent Living Unit, Assisted Living Unit, or unit providing Memory Care Services and who needs the degree of medical care, personal care and service that is provided in a Nursing Unit or a Special Service Facility.

Occupancy Date: The date on which you are authorized by Windsor Run to take possession of a Living Unit. On this date, you are allowed access to move belongings or to

personally inhabit the Living Unit pursuant to this Agreement. Delivery of keys to you shall be deemed authorization to take possession.

Off-Site Facility: Any housing or health care facility not located within the Community and which is neither owned nor operated by Windsor Run.

Participating Independent Living Unit: A participating Independent Living Unit is an Independent Living Unit whose prior resident had either: i) a Residence and Care Agreement with a 90% Refund Amount obligation, as applicable, or ii) a Residence and Care Agreement with a refund obligation of 80% or less as applicable. We fund the Refund Account with all or a portion of such Entrance Fees. A Living Unit that has not been previously occupied with an initial Entrance Fee is not a participating unit.

Refund Form: An agreement signed by you, when accepted by us, designating to whom the 90% Refund Amount shall be made upon termination of this Agreement.

Refund Account: The balance(s) which we establish to fund the contracted Refund Amount to eligible residents upon termination of the Agreement. The Refund Account ledger is funded only when we receive all or a portion of new Entrance Fees from new residents who sign a Residence and Care Agreement for participating Independent Living Units. The new resident's right of rescission must also be expired for the Refund Account to receive all or a portion of the Entrance Fee. We make continued refunds from the Refund Account as new available funds are received into the Refund Account. We have the right to temporarily suspend refunds if the Refund Account has insufficient funds to pay the next sequential refund that is due. We pay the 90% Refund Amount based on assigned Refund Numbers generally proceeding in sequential order.

Refund Form: An agreement signed by you, when accepted by us, designating to whom the 90% Refund Amount shall be made upon termination of this Agreement.

Refund Number: The number assigned per Section 7.6 which determines eligibility for a refund of the 90% Refund Amount.

Refurbishing Charges: The reasonable costs and expenses of work performed to clean, refurbish, and restore that Living Unit after a resident permanently vacates the unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. It is intended that the Living Unit shall be restored to the condition that it was in before it was occupied by the recent resident. The determination as to the extent of refurbishment shall be established by the Executive Director.

Repairing Extraordinary Damage: By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material

damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident. The extent of refurbishing is determined by WINDSOR RUN, in our sole discretion to put the Living Unit into like-new condition.

Reserved Parking Space: For an Independent Living Unit, Windsor Run will provide one designated parking space per Independent Living Unit for your personal vehicle. Your right to use a parking space will terminate if you no longer own or use a personal vehicle. If available, an additional parking space may be reserved for a 2nd second vehicle for an additional fee.

Resident/ You: Each person designated by name in the first paragraph of this Agreement, who is a party to this Agreement.

Spending Plan: A plan set forth by the Executive Director of the Community in the event that you are financially unable to pay your Monthly Service Packages.

Weekly Light Housekeeping: Residents in Independent Living Units may request housekeeping for an ancillary fee. For Assisted Living Units and units providing Memory Care Services, as part of the Covered Services, Windsor Run will perform weekly light housekeeping which generally includes vacuuming carpet/ floors, light dusting and wiping down bathrooms and kitchenette (if available). The extent of such services and the weekly schedule are determined by us and may be revised from time to time with appropriate notice. You are responsible for day-to-day housekeeping to maintain your Living Unit in a sanitary and orderly condition. Additional housekeeping services, including annual or seasonal deep cleaning services, are available upon request for an additional fee.

Windsor Run (We/ Us): Windsor Run, LLC.

[Section 16 on next page]

SIGNATURES

IN WITNESS WHEREOF the parties have hereunto set their hands on the date appearing next to their respective signatures.

WINDSOR RUN, LLC

_____ By: _____
Witness Date

_____ Resident _____
Witness Date

_____ Resident _____
Witness Date

If applicable: Guarantors: I (We) _____ have read and understand the provisions of this Agreement and by signing my (our) name(s) below, agree to guaranty Resident's obligations incurred under this Agreement in accordance with the Guaranty Agreement.

_____ Guarantor _____
Witness Date

_____ Guarantor _____
Witness Date

Schedule I
Windsor Run - Periodic Charges for Ancillary Services

Service	2026 Rate
Non-Occupancy (Independent Living) Credit for Absences per resident, per day (starting on 31st consecutive night) Note: the Non-Occupancy Credit does not apply to residents in Assisted Living, Memory Care or Nursing Care.	\$12.00
Additional Mailbox Key	\$15.00
Additional or replacement Living Unit Badge	\$25.00
Badge for Resident Family & Friends Program	\$25.00
First Car Reserved Parking Space (Ind. Living) (resident registered car only)	No. Add. Fee
Second Car Reserved Parking Space (Monthly if available) (resident registered car only)	\$75.00
Reserved Carport parking (Monthly if available) (resident registered car only)	\$50.00
Storage Bin (Monthly if available)	\$15.00
Maintenance Service per hour	\$56.00
Grounds Service per hour	\$56.00
Housekeeping per hour	\$50.00
Computer Services (first 30-minutes) Each additional 15 minutes	\$50.00 \$18.00
Catered Living Care Fee Non-Care Second Person Fee	\$7,900.00 \$500.00
Emergency Pendant (1-time fee) Emergency Pendant Monthly Fee Emergency Pendant Replacement	\$50.00 \$25.00 \$35.00
Wheelchair Escorts (one way)	\$10.00
Wheelchair Escorts (round trip)	\$20.00
Guest Suite (Per Night)	\$130.00
Transportation	
Premium TV Service	No add Fee
Personal Training 30 minute	\$20.00
Personal Training 30 minute – in Living Unit	\$25.00
Personal Training five 30 minute sessions package Personal Training ten, 30 minute sessions package	\$85.00 \$150.00
Specialty Class (charged monthly)	\$16.00

Service	2026 Rate
Erickson Balance Class	\$50.00
Virtual Fitness Programs (digital)	Included
Specialty Health Club Group Fitness Classes	Add Fees Apply
Meal Delivery	\$7.00
Sales Tax	When Applicable

Ancillary fees in continuing care are available on request.

Schedule II

Documents Incorporated

- A. Arbitration Agreement / Nursing Arbitration Agreement
- B. Priority List Application
- C. Financial Information Form
- D. Resident Profile
- E. Refund Form
- F. Club Membership Application
- G. Key Receipt Form
- H. Promissory Note and Allonge to Promissory Note
- I. Custom Interiors Agreement (if any)
- J. Guaranty Agreement (if any)
- K. Unit Release forms
- L. Power of Attorney for property disposition (if any)
- M. Advance Directive, Appointment of Health Care Agent, or Living Will (if any)
- N. Resident's medical insurance documentation (if any)

A. Arbitration Agreements

WINDSOR RUN

ARBITRATION AGREEMENT

This Arbitration Agreement (“Agreement”) is entered into between Windsor Run, LLC (the “**Provider**”) and [**Resident (Or Resident’s Representative) Name(s)**]. The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the “**Parties**”). This Agreement is an exhibit to and part of the Residence and Care Agreement (the “**Care Agreement**”) governing the services rendered by the Provider to the Resident at Windsor Run (the “**Community**”).

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the “**Arbitrator**”) decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator’s decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration.**

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements (“**Claims**”) between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident’s residency at the Community, the Resident’s admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties’ execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

- B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be “**Excluded Claims**” and shall not be subject to this Agreement. If the Resident transfers to a Nursing Unit (as defined in the Care Agreement) and enters into the Nursing Facility Addendum to the Care Agreement (the “**Nursing Addendum**”) or the Nursing Addendum is entered into on the Resident’s behalf, Excluded Claims shall also include any claims arising out of or related to the Nursing Addendum and/or the care the Resident receives while residing in the Nursing Unit.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

- A. The term “**Provider Party**” includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.
- B. The term “**Resident Party**” includes the Resident and each of the Resident’s legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.
- C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. **Governing Law and Venue.**

- A. **Federal Arbitration Act (“FAA”) Applies.** The Parties agree that the Community’s services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.
- B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.
- C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.
- D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. **Arbitration Procedures.**

- A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand (“**Demand**”) to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the “**Claim Deadline**”).

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident’s legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

- B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which

the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed to arbitration; provided, however, that neither Party may so terminate the mediation process prior to the occurrence of at least one (1) mediation session with the mediator.

- C. **Arbitration Administration.** After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the “**Arbitration Service**”) to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.
- D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.
- E. **Arbitrator’s Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.

- F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.
- G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked “confidential,” must state the Arbitrator’s findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.
- H. **Appeals.** The Parties agree that the Arbitrator’s decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.
- I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

- A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.
- B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.
- C. **Counsel and Attorneys’ Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys’ fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this

Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality.** All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ I have read and understand this Arbitration Agreement.

_____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ I understand that, in the future, I may need or choose to move to another location or level of care within the Community one or more times and that I may be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with such a move. I acknowledge and agree that this Agreement will remain in effect following each move within the Community, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration

agreement on my behalf (including a separate arbitration agreement covering those Excluded Claims relating to or arising out of the Nursing Addendum). I understand that this Agreement will remain in effect even if it is not reaffirmed.

_____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement shall be resolved through binding, individual arbitration.**

_____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____

Date: _____

Resident Signature: _____

Print Name: _____

Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident’s behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident’s Legal Representative
Signature (if applicable): _____

Print Name: _____

Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

WINDSOR RUN

NURSING ARBITRATION AGREEMENT

This Nursing Arbitration Agreement (“Agreement”) is entered into between Windsor Run, LLC (the “**Provider**”) and [**Resident (Or Resident’s Representative) Name(s)**]. The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the “**Parties**”). This Agreement is an exhibit to and part of the Residence and Care Agreement (the “**Care Agreement**”) governing the services rendered by the Provider to the Resident at Windsor Run (the “**Community**”).

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the “**Arbitrator**”) decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator’s decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration.**

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements (“**Claims**”) between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident’s residency at the Community, the Resident’s admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties’ execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

- B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be “**Excluded Claims**” and shall not subject to this Agreement.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

- A. The term “**Provider Party**” includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.
- B. The term “**Resident Party**” includes the Resident and each of the Resident’s legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.
- C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. **Governing Law and Venue.**

- A. **Federal Arbitration Act (“FAA”) Applies.** The Parties agree that the Community’s services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which

preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.

- B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.
- C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.
- D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. Arbitration Procedures.

- A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand (“**Demand**”) to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the “**Claim Deadline**”).

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident’s legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

- B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed to arbitration; provided, however, that neither Party may so terminate the mediation

process prior to the occurrence of at least one (1) mediation session with the mediator.

- C. **Arbitration Administration.** After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the “**Arbitration Service**”) to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.
- D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.
- E. **Arbitrator’s Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.
- F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the

FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.

- G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked “confidential,” must state the Arbitrator’s findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.
- H. **Appeals.** The Parties agree that the Arbitrator’s decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.
- I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

- A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.
- B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.
- C. **Counsel and Attorneys’ Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys’ fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement unless it is cancelled as described in Section 12 of this Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality.** All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Not a Condition of Admission or Care.** You are not required to sign this Agreement as a condition of admission to the Community or to continue to receive care at the Community. You are encouraged to discuss this Agreement with an attorney before signing.

12. **Right to Cancel Agreement.** If you sign this Agreement but change your mind within thirty (30) days of signing it, you may cancel the Agreement by providing written notice, sent by certified mail, return receipt requested, to the Community's Executive Director.

13. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ I understand that signing this Agreement is neither a condition of admission to the Community nor a requirement to continue receiving care at the Community.

_____ I have read and understand this Arbitration Agreement.

_____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ I understand that, in the future, I may need to move to another location or level of care within the Community one or more times and that I will be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with each such move. I acknowledge and agree that this

Agreement will remain in effect following such move, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration agreement on my behalf.

_____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement, shall be resolved through binding, individual arbitration.**

_____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____

Date: _____

Resident Signature: _____

Print Name: _____

Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident’s behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident’s Legal Representative
Signature (if applicable): _____

Print Name: _____

Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

B. Priority List Application

Windsor Run **PRIORITY LIST APPLICATION**

I hereby make application for a secured position on **Community Full Name Priority List.**

Priority Date: PL Priority Date

(To be completed by sales counselor. Priority date is determined by the date this application is received at the Sales and Information Office.)
As you join the Priority List, we ask that you further designate whether you wish to be on the "Standby" or "Futures" part of the Priority List. Both designations maintain your same, all-important priority date. If you would like to review available residences when selections are available for reservation, please designate "Standby Priority." Our sales counselor will call you as soon as the type of residence you specify is available. If you are not sure when you would like to move, please designate "Futures Priority."

RESERVATION

I am reserving the following residence:

Unit #

STANDBY PRIORITY

I would like to move to the next available residence that meets my preferences.

FUTURES PRIORITY

I wish to establish my priority status with the intent of moving at a later date.

My living accommodation preference:

PL Accommodation Preference

NAME Full Name DATE OF BIRTH Birthdate

MARITAL STATUS Marital Status

NAME Full Name DATE OF BIRTH Birthdate

ADDRESS Mailing Street

CITY Mailing City STATE Mailing State/Province ZIP Mailing Zip/Postal Code

PHONE Home Phone EMAIL Email

WERE YOU REFERRED BY ANYONE? PL Referred By

Please sign this application and return it with your check to Community Full Name. A copy will be returned to you for your records. By signing below, you consent to receive an electronic copy of the Windsor Run Disclosure Statement by delivery to the email address provided by you above.

APPLICANT(S) Full Name DATE

APPLICANT(S) Full Name DATE

Account Name Capitalized Full Name DATE

Windsor Run PRIORITY LIST APPLICATION

- 1) Your status on the Priority List is determined by your priority date with earlier dates having higher priority. Paying the refundable Priority List deposit and the application fee will ensure that you are placed on the list based on the day the Sales and Information Office receives your application.
 - 2) If you wish to move from the Priority List to a residence reservation, you will not need to complete another application or pay another Priority List deposit or application fee. You will need to pay an additional reservation deposit, which is always refundable as per the Residence and Care Agreement.
 - 3) Prior to moving to Windsor Run, applicants must complete the admissions process, which includes financial and health/service screenings. Windsor Run reserves the right to determine if the community offers appropriate care and services for the applicant. Windsor Run may offer conditional approval or may offer a different residence than the applicant's preference.
 - 4) Joining the Priority List does not ensure that the amount of the Entrance Fee will not change before the applicant enters the community. Reserving a residence does ensure that the Entrance Fee for that specific residence will not change if the applicant enters the community within the requisite time frame.
 - 5) Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this application/agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. This agreement may be signed in counterparts, all of which together constitute one agreement.
- 1) Your \$PL Refundable Deposit Priority List Deposit and any additional deposits will be applied in full toward your Entrance fee as you begin your move to Windsor Run. This Reservation Deposit Agreement is a binding agreement that can be cancelled as stated below.
 - 2) All deposits will be returned to you: (a) within 30 days of a written request; (b) if you are determined to be ineligible for entrance into the community; or (c) if you rescind the Residence and Care Agreement within 30 days of execution of the Agreement or receipt of a Disclosure Statement which meets the requirements of N.C.G.A. Chapter 58, Article 64, whichever is later and regardless of occupancy. In addition, all deposits are returned when this agreement is automatically cancelled due to your death, illness, injury, or incapacity that would preclude you from occupying a living unit in the community under the terms of the contract. All deposits will also be returned if the facility is not constructed or the residence does not meet the specifications in the Disclosure Statement received by the applicant.
 - 3) As you complete your move to Windsor Run, all of your deposits toward the Entrance Fee will remain in escrow until (a) the deposit is returned to you as described in Section 2 above; or (b) the escrow agent releases the Entrance Fee to Windsor Run as permitted by state law and/or the escrow agreement.
 - 4) Any interest earned on deposits in escrow will be used for the benefit of Windsor Run. Any interest earned on deposits in escrow will be used for the benefit of Windsor Run.
 - 5) Your \$PL Application Fee application fee is a one-time, nonrefundable fee. The application fee is refundable only if you exercise the right of rescission described in Section 2(c) above, but Windsor Run may retain the application fee as a reasonable service charge if it does not exceed two percent (2%) of the Entrance Fee.



2030 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com



WINDSOR RUN Continuing Care Priority List Agreement

I hereby confirm my interest in obtaining Priority List status at continuing care at Trademark®. I understand and accept the Conditions of the Assisted Living Priority List and Priority List Fee Agreement.

RESERVATION

I am reserving the following apartment home

Apartment #

STANDBY PRIORITY

I would like to move to the next available apartment home that meets my preferences.

FUTURES PRIORITY

I wish to establish my priority status with the intent of moving at a later date.

My living accommodation preference in continuing care:

Level of Care _____

Name: Full Name _____ Date of Birth: Birthdate _____ Age: Age _____

Gender: Gender _____ Marital Status: Marital Status _____

Spouse's Name: Full Name _____ Date of Birth: Birthdate _____ Age: Age _____

Address: Mailing Street _____ City: Mailing City _____

Mailing State: State/Province _____ Zip: Mailing Zip/Postal Code _____ Phone: Home Phone _____

Email: Email _____

Please sign this agreement and return it with your payment of \$PL Refundable Deposit to Community Full Name. Make check payable to Community Full Name. A copy will be returned to you for your records. By signing below, you consent to receive an electronic copy of the Windsor Run Disclosure Statement by delivery to the email address provided by you above.

Applicant or Legal Representative: _____ Date: _____

Applicant or Legal Representative: _____ Date: _____

Resident Representative Name: Full Name _____

Address: Mailing Street, Mailing City, Mailing State/Province, Mailing Zip/Postal Code _____

Authority to sign for Resident (*power of attorney, guardian, health care agent, etc.*): Authority to sign _____

Community Full Name Representative: _____ Date: _____

Office use only: Priority date PL Priority Date

(Priority date is determined by the date this completed application is received at the continuing care neighborhood at Windsor Run.)

Conditions of the Continuing Care Priority List

1. Your status on the continuing care Priority List is determined by your Priority List date with earlier dates having higher priority. Paying the refundable Priority List Fee will ensure that you are placed on the list based on the day the community receives your agreement.
2. If you wish to move from the continuing care Futures List to the Standby List, you will not need to complete another agreement or pay a second Priority List Fee. If accepted to continuing care at Windsor Run, you will need to pay the Community Fee.
3. Prior to moving to continuing care at Windsor Run, you must complete the admissions process, which includes a health/service screening. We reserve the right to determine if we can offer appropriate care and services for you. We may offer conditional approval or may offer a different apartment than your original preference. We make no representation about acceptance with this agreement.

Priority List Fee Agreement

This payment entitles you to priority status with the intent of moving into continuing care at Windsor Run at a later date. Any refunds will be in accordance with the terms and conditions set forth below and in the Agreement signed at the date of admission.

1. You will receive a full refund of the continuing care Priority List Fee if you cancel the agreement prior to moving in. You will also receive a full refund if Windsor Run cancels because you are not eligible for continuing care services. Refunds will be made within thirty (30) days of the cancellation by either party. All deposits will be returned to you: (a) within 30 days of a written request or (b) if you are determined to be ineligible for entrance into the community.
2. If you move into continuing care, we will apply the Priority List Fee, in the form of credit, to the Community Fee.
3. Once paid, the Priority List Fee is the property of Windsor Run. You have a right to refund, prior to moving in, as described herein. If you move out of continuing care at Windsor Run within the first thirty (30) days of occupancy, for any reason, a pro-rated refund will be issued based on your actual number of occupancy days. After the first thirty (30) days of occupancy, no refund of the Community Fee will be issued. Any interest earned on the Priority List Fee is used for the benefit of Windsor Run.



1807 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com

Independent Living | Assisted Living Services | Memory Support Services | Long-Term Care

704-443-6400



C. Financial Information Form

FINANCIAL INFORMATION FORM
CONFIDENTIAL

Note: The following questions will be discussed at the financial appointment. If you would like to answer below, please feel free to do so.

Additional Questions	Detailed Answer (Name, Amount, Valuation Date, Etc.)
1. Please provide details for joint account holders/joint asset holders (such as children, POA, other family members) for assets listed in "Assets" section.	
2. Other than personal liabilities listed above, have you cosigned/guaranteed anyone else's debts?	
3. In the last 5 years, have you transferred any of your assets worth more than \$20,000 to others? If so, please describe the circumstances and the value received by others. Also, what is the value, if any, you received back?	
4. Do you regularly make monetary gifts or provide regular monetary support to family members, friends, favorite charities, or other programs?	
5. Do you plan on making significant future monetary gifts in addition to the above?	
6. In the last 10 years, have you filed for protection from creditors or been judged bankrupt?	
7. In the last 5 years, have you loaned money to family/friends and have money owed back to you as the lender?	

Resident Name: _____ Current Date: _____

Page 4 of 4

Financial Information Form



**FINANCIAL INFORMATION FORM
CONFIDENTIAL**

Name: _____ Date of Birth: _____

Marital Status: _____

Name: _____ Date of Birth: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Note: Please ensure that below amounts are as current as possible and please bring support for stated amounts to financial appointment.

Assets	Name (Bank, Location, Description)	Value as of Date	Amount
A) Checking Account	_____	___ / ___ / ___	\$ _____
B) Savings Account	_____	___ / ___ / ___	\$ _____
C) Savings Account	_____	___ / ___ / ___	\$ _____
D) Certificate of Deposit	_____	___ / ___ / ___	\$ _____
E) Certificate of Deposit	_____	___ / ___ / ___	\$ _____
F) Mutual Funds	_____	___ / ___ / ___	\$ _____
G) Stocks and Bonds	_____	___ / ___ / ___	\$ _____
H) Stocks and Bonds	_____	___ / ___ / ___	\$ _____
I) Real Estate—Plan to Sell	_____	___ / ___ / ___	\$ _____
J) Real Estate—Plan to Hold	_____	___ / ___ / ___	\$ _____
K) Other Financial Assets <small>(e.g., Trusts available for resident use, life insurance, long-term care insurance)</small>	_____	___ / ___ / ___	\$ _____
		___ / ___ / ___	\$ _____
Total Assets			\$ _____
Liabilities			
A) Home Mortgage	_____	___ / ___ / ___	\$ _____
B) Loan on Autos	_____	___ / ___ / ___	\$ _____
C) Credit Cards	_____	___ / ___ / ___	\$ _____
D) Other Debts/Liabilities	_____	___ / ___ / ___	\$ _____
E) Other Debts/Liabilities	_____	___ / ___ / ___	\$ _____
Total Liabilities			\$ _____
(Assets minus Liabilities) Total Net Worth			\$ _____

**FINANCIAL INFORMATION FORM
CONFIDENTIAL**

Sources of Monthly Income:	Resident Name	Term of Income (# of months, whole life, etc.)	Survivor Benefits (Yes or No)	Amount
A) Social Security	_____	_____	_____	\$ _____
B) Social Security	_____	_____	_____	\$ _____
C) Pension	_____	_____	_____	\$ _____
D) Pension	_____	_____	_____	\$ _____
E) Annuity	_____	_____	_____	\$ _____
F) Annuity	_____	_____	_____	\$ _____
G) IRA	_____	_____	_____	\$ _____
H) IRA	_____	_____	_____	\$ _____
I) Investment Income	_____	_____	_____	\$ _____
Source:	_____	_____	_____	\$ _____
J) Other Income	_____	_____	_____	\$ _____
K) Other Income	_____	_____	_____	\$ _____
				\$ _____
Total Monthly Income				\$ _____

If we have additional financial questions, whom should we contact?

You Your Financial Advisor

Financial advisor's information (if applicable):

Name _____
 Street Address _____
 City, State, Zip Code _____
 Phone _____
 Email _____

Who will be responsible for your bills?

You Other

If Other, please give information (if applicable):

Name _____
 Street Address _____
 City, State, Zip Code _____
 Phone _____
 Email _____

I hereby certify that the information supplied herein is complete and accurate to the best of my knowledge, and I agree to provide whatever information Windsor Run deems necessary to verify my financial position. I also understand that my approval for residency is predicated upon the accuracy of this information and said approval may be revoked at any time should any of the information prove to be substantially false.

Signature: _____ Date: _____

Signature: _____ Date: _____

We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, sexual orientation, or national origin.

D. Resident Profile

Thank you for completing this form.

We are looking forward to getting to know you when you come to Windsor Run for your pre-residency meeting. Please bring the following to your appointment:

- This completed form
- The Financial Information Form and related documents
- All health insurance cards
- Power of attorney for finances
- Advance directives for health care to include your power of attorney for health care and/or living will
- Document indicating the executor of estate
- Long-term care insurance

My signature confirms that I understand the information I provide on the Resident Profile and at the pre-residency meeting will be treated with confidentiality and that it is accurate as signed and dated. The information will be used only by authorized employees or agents of the community. The information may also be subject to disclosure as provided by applicable laws.

(Applicant's Signature) (Date)

If this form was completed by someone other than the applicant, please have that person state the reason and sign below.

Form completed by _____

Reason _____

Relationship to applicant _____

(Applicant's Signature) (Date)


Windsor Run
BY ERICKSON SENIOR LIVING®
2030 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com



Resident Profile

We are excited you have chosen Windsor Run, managed by Erickson Senior Living®, as your next home! As you proceed with your planning, one of your next steps is to come in for a pre-residency meeting. During this session, you will meet with a Windsor Run staff member and begin to understand how the community can help support a successful transition to your new home, while also learning more about the amenities that are available to you. This dedicated time is an opportunity for us to learn more about you and for you to continue to develop relationships with the rest of the Windsor Run team.

In preparation for your pre-residency meeting, we ask that you please complete the pages that follow this letter; this information will be used to start your unique Resident Profile. During this meeting, we will be happy to answer any questions you have and to provide you with any additional amenity information you may desire.

We look forward to partnering with you as you begin this new chapter of your life; we view this pre-residency meeting as the beginning of a lasting relationship.

Best regards,

The Windsor Run Team


Windsor Run
BY ERICKSON SENIOR LIVING®

RESIDENT PROFILE

PERSONAL & DEMOGRAPHIC INFORMATION

First Name _____ MI _____ Last Name _____ Title _____

Maiden Name _____ Preferred Name _____

Sex: Male Female

Phone _____ Mobile _____ Email _____

Date of Birth _____ Place of Birth _____
(City, State, Country)

WORK INFORMATION

If retired, what was your main occupation? _____

Are you currently working? Yes No

If Yes: Full-Time Part-Time

Company _____ Occupation _____

Military Service: Veteran Nonveteran

RELIGIOUS PREFERENCE (Optional)

Please Specify (Example: Buddhist, Catholic, Jewish, Muslim, Protestant):

ADDITIONAL DEMOGRAPHICS

Primary Language _____

Marital Status: Single Married Widowed Separated

Divorced Domestic Partner Other _____

WILL YOU BE BRINGING A DOG OR CAT TO CAMPUS? Yes No

Dog Breed? _____ Cat Breed? _____

Who would take care of your pet if you could not?

Name _____ Phone _____
(Home or Mobile)

WILL YOU BE BRINGING A MOTOR VEHICLE TO CAMPUS? Yes No

We will help you to register your vehicle.

NOTIFY IN CASE OF EMERGENCY (List three contacts, if possible.)

1. Name _____ Relationship _____
Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

2. Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

3. Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

ADVANCE DIRECTIVES

Have you completed an advance directive for health care or a living will? Yes No

Have you completed a financial power of attorney? Yes No

END-OF-LIFE-PROVISIONS (Optional)

Funeral Home _____

Address _____

City _____ State _____ Zip _____ Phone _____

EXECUTOR OF ESTATE

Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

INSURANCE INFORMATION (Please bring all of your health insurance cards to the pre-residency meeting.)

1. Primary _____ Policy # _____
Secondary _____ Policy # _____

2. Do you have long-term care insurance? Yes No

Insurance Company Name _____

Policy # _____

E. Refund Form

WINDSOR RUN
REFUND FORM

Name of Resident(s): _____
Living Unit: _____
Date of Receipt by
WINDSOR RUN: _____

Preliminary Statements and Directions

1. Pursuant to the Residence and Care Agreement (the "Care Agreement") with WINDSOR RUN, Resident is entitled to the contracted refund (if any) of the Entrance Fee paid to WINDSOR RUN under certain specified conditions during Resident's lifetime or upon Resident's death based upon termination of the applicable Care Agreement (referred to as the "Refund"). Resident's right to the Refund is set forth in the Care Agreement. This Refund Form is only for the purpose of designating the beneficiaries and does not change the terms and conditions for the Refund. Resident and Resident's beneficiaries are subject to all terms and conditions for the Refund and should review the same carefully. For the purpose of these Refund Forms, the term "Resident" includes the plural.

2. Resident understands that the purpose and effect of this Refund Form is to designate the beneficiary(ies) of the right to the Refund. By signing this Refund Form, Resident is hereby revoking any previously executed Refund Forms.

3. If the Entrance Fee is being paid on behalf of two (or more) Joint Residents, both Joint Residents understand that the Entrance Fee of the first Joint Resident to pass on will be treated as though it has been paid by the survivor, to be used for the survivor's care if necessary (minus the Community Fee if applicable), and that the Refund will eventually be paid to the survivor, to the beneficiaries named in the survivor's Refund Form, or to the survivor's estate.

4. **Resident understands that it is Resident's responsibility to review the terms of this Refund Form to make sure that its terms are coordinated with Resident's current will or other trusts and estate plan. WINDSOR RUN strongly recommends that Resident review this Refund Form with an attorney or other estate planning professional prior to execution to ensure such coordination and to review potential tax liability in making these designations or in the eventual payment of the refund. WINDSOR RUN reserves the right to review and approve the forms so that the right to the refund is clearly delineated for WINDSOR RUN's staff.**

5. WINDSOR RUN will make the Refund only as specified in the most recent duly executed and approved Refund Form. Resident may revise the right to the Refund by duly executing a new Refund Form.

6. Please sign one of the following forms designating the right to the Refund. Be sure to read all of the forms before making a selection. If you do not understand the forms, please consult with your estate planning professional. If you do not understand the directions, please consult with the Sales and Admissions Staff. **You may select and sign only one form.**

7. If Resident is designating the Refund to more than 1 beneficiary, percentages must add up to 100%. Please do not fill in cash amounts. WINDSOR RUN can only refund based upon percentages of the Refund, due to the possibility of a spend-down or partial spend-down of the Entrance Fee.

8. It is the responsibility of Resident or Resident's representative, if applicable, to give WINDSOR RUN the most recent addresses for all listed beneficiaries.

9. There are no third-party beneficiaries to this agreement between WINDSOR RUN and Resident. WINDSOR RUN is not responsible for notifying or advising any beneficiaries of changes in the designation of the Refund.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Refund Form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Refund Form may sign separately in several counter-parts, all of which together shall constitute one and the same Refund Form.

11. Resident hereby acknowledges that he or she has read the preliminary statements and instructions, reviewed the attached options for a Refund, and understands the purpose and consequences of this Refund Form.

Date

Resident

Date

Resident

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.):

Received by WINDSOR RUN:

By: _____
WINDSOR RUN Representative

Date

REFUND FORM 1

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to: **(please check one option)**

Resident _____ Beneficiaries as designated below _____

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be paid directly for convenience to the beneficiaries listed below, *per stirpes*, in the percentages indicated. **Percentages listed below may go up to two decimal places and must add up to 100 (i.e. 33.33%, 33.33%, 33.34%).**

Percentage Interest, Name & Address of Beneficiary

1. _____ % _____ _____ _____	2. _____ % _____ _____ _____
3. _____ % _____ _____ _____	4. _____ % _____ _____ _____
5. _____ % _____ _____ _____	6. _____ % _____ _____ _____

Resident

Date

Resident

Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund of Form as Resident's own act.

Witness

Address

Witness

Address

Received by WINDSOR RUN:

By: _____
WINDSOR RUN Representative

Date

Note 1 - Per stirpes generally means that if a named person is not living at the time the Refund is to be distributed, his or her children will share that person's share of the Refund equally. A pattern of children substituting for and sharing equally in their deceased parent's share continues through succeeding generations existing as of the date of the Resident's passing or, in the case of Joint Residents, the last Resident's passing.

REFUND FORM 3

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to the Resident. If the Entrance Fee was paid on behalf of Joint Residents, the Refund will be paid to both joint residents.

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be made payable to the Estate of Resident. In the case of Joint Residents, the Refund will be made payable to the Estate of the final surviving Joint Resident. The check payable to the Estate of Resident or the Estate of the surviving Joint Resident should be mailed to the duly qualified personal representative, Executor, or Executrix, as the case may be, of the Estate. (Note: The person representing to be the "duly qualified" executor/representative of the Estate must present official letters of administration/appointment from the probate office, probate court, or other appropriate legal forum. A will or copy of a will is not qualification. Resident should consult with resident's legal counsel/estate planner to understand the requirements.)

Resident	Date
Resident	Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund Form as Resident's own act.

Witness	Address
Witness	Address

Received by WINDSOR RUN:

By: _____	_____
WINDSOR RUN Representative	Date

F. Club Membership Application

WINDSOR RUN CLUB
APPLICATION FOR MEMBER

Unless otherwise noted by Resident's having initialed the statement below, execution of this Residence and Care Agreement will constitute Resident's application to become a member of the Windsor Run Club (the "Club"), a private social club. The Club is a social club which will hold a private club license permitting the service of alcoholic beverages to its members and their guests for on-premises consumption at certain facilities in the Windsor Run retirement community complex. In accordance with the Windsor Run Club Membership and Participation Policy and the requirements of the ABCE, the application shall be considered by the Club's membership committee, which will inform Resident if he or she has been accepted for membership. Copies of the Club's policy shall be provided to Resident upon his or her request.

_____ My execution of this Agreement shall not constitute my application to become a member of the Windsor Run Club.

G. Key Receipt Form

WINDSOR RUN KEY RECEIPT FORM

Resident Name(s): _____

Apartment/ Unit #: _____

I/We have received the following items on the date shown next to signature(s):

_____ Apartment Keys [if applicable]

_____ Resident Key Badges [if applicable]

_____ Exterior Door Keys [if applicable]

_____ Mailbox Keys [if applicable]

_____ Storage Keys [if applicable]

For purposes of the Residence & Care Agreement, if applicable, taking apartment keys is considered the Occupancy Date and the Monthly Service Package fees start as of the take keys date.

Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counterparts, all of which together shall constitute one and the same form.

Resident/Representative Signature

Date

Resident/Representative Signature

Date

If signed by a Representative, indicate name of Representative and nature of authority (i.e. power of attorney, guardian, etc.) _____

Community Representative Signature

Date

H. Promissory Note and Allonge to Promissory Note

\$ _____
Matthews, North Carolina

Date of Note: _____ 20__

WINDSOR RUN, LLC
PROMISSORY NOTE

Now, therefore, the undersigned, _____, (the "Maker"), hereby promises to pay to the order of WINDSOR RUN, LLC at its offices located at 2030 Windsor Run Lane, Matthews, North Carolina 28105 or at such other place as the holder of this Note may, from time to time designate, the principal sum of: _____ Dollars (\$ _____), plus all accrued interest (unless waived under Section 1 hereof), payable on or before the Maturity Date as defined in Section 2 hereof.

1. **Interest Rate.** Interest on the unpaid principal balance shall begin accruing on the **DATE OF THIS NOTE** which appears in the upper right hand corner of this Note, at the rate of nine percent (9%) per annum (360 days per year) and said accrued interest shall be invoiced and paid monthly (**in arrears**) beginning the first day of the second calendar month following the **DATE OF THIS NOTE**. In the event that the Maker of this Note pays the entire principal balance due on or before the Maturity Date, the interest for the period through the payment date shall be **waived**. In the event that the **entire** principal balance is not paid on or before the Maturity Date, **accrued interest will be charged every month from the Date of this Note on the unpaid principal balance until satisfaction and termination of this Note.**

2. **Maturity Date.** The Maturity Date of this Note shall be: the earlier of (i) _____, 20__ or (ii) five business days from the sale and settlement of the Maker's property located at _____.

3. **Repayment.** The entire principal balance shall be due and payable on or before the Maturity Date. In addition to payment of the principal balance, Maker agrees to pay any assessed interest as provided in Section 1.

4. **Application of Payments.** All payments made hereunder shall be applied first to accrued interest, before being applied to principal, unless the interest is waived under Section 1.

5. **Prepayment.** The undersigned may prepay this Note in whole or in part at any time without any penalty.

6. **Default.** Upon a default in the payment of any installment of principal or interest due hereunder which has continued for a period of thirty (30) days after written notice of default, the Holder may, in addition to any other remedy provided by law, recover attorneys fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/ Resident is terminated for non-payment.

7. Assignment. In the event the Holder of this Note shall assign or transfer this Note for value, the undersigned agrees that all subsequent Holders of this Note shall not be subject to any claims or defenses which the undersigned may have against a prior Holder, all of which are waived as to the subsequent Holder, and that all subsequent Holders shall have all of the rights of a Holder in due course with respect to the undersigned even though the subsequent Holder may not qualify, under applicable law, absent this paragraph, as a Holder in due course.

8. Waiver. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers of this Note. This Note shall be the joint and several obligation of all makers, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

9. Notice. Any notice provided for in the Note shall be in writing and shall be given and be deemed to have been given and received (i) when personally delivered against a signed receipt or (ii) three (3) days after being mailed by both registered or certified mail, return receipt requested and also by first-class mail, addressed to the maker or Holder at the appropriate address first above set forth or to such other address as may be hereinafter specified by written notice by the Maker or Holder.

10. Miscellaneous. This Note shall be construed and governed according to the laws of the State of North Carolina. Venue for any action arising out of the making of this Note shall be in Mecklenburg County, North Carolina.

11. Electronic Signature. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Note shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Note may sign separately in several counter-parts, all of which together shall constitute one and the same Note.

IN WITNESS WHEREOF, the Maker has caused this Note to be executed and sealed the day and year first above written.

WITNESS(ES):

MAKER:

Unit: _____

ALLONGE TO PROMISSORY NOTE

THIS ALLONGE TO PROMISSORY NOTE (the "Allonge") is effective as of _____, 20__ by and between Windsor Run, LLC ("HOLDER"), and _____, ("MAKER").

Recitals

R.1. MAKER executed that certain Promissory Note in favor of HOLDER in the principal sum of \$ _____, dated as of _____ (the "Note").

R.2 MAKER and HOLDER have agreed to amend the Note per the terms and conditions stated herein.

Agreement

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MAKER and HOLDER hereby agree as follows:

1. **Amendment.** The Note is hereby amended as follows (**initial as applicable**):

_____ a. Each reference in the Note to the Maturity Date is hereby amended to mean and refer to _____, 20__ (the "Revised Maturity Date"). MAKER agrees to pay an additional \$ _____ (the "10% Deposit") in principal on the date of this Allonge and agrees to continue paying equal 10% Deposit payments every thirty (30) days from the date of this Allonge until the Revised Maturity Date. On the Revised Maturity Date, MAKER agrees to pay all outstanding principal to HOLDER.

If MAKER pays each required 10% Deposit payment when due and also pays the outstanding principal by the Revised Maturity Date, then HOLDER will waive interest on the principal. However, if MAKER fails to make any of the required 10% Deposit payments on each due date or if MAKER fails to pay the outstanding principal by the Revised Maturity Date, then MAKER agrees and acknowledges that HOLDER will assess interest at the rate provided in the Note from the date of default of payment until full payment of the principal and accrued interest.

OR

_____ b. MAKER acknowledges that payment was not made by the Maturity Date and that MAKER cannot make additional principal payments. HOLDER agrees to permit MAKER to extend payment of the principal until _____, 20__ (the "Extension Date"). However, MAKER will be assessed and must pay interest of 9% per

annum on the unpaid principal until the Extension Date when all outstanding principal and interest are due and payable.

2. **Affirmation.** The representations of MAKER contained in the Note are true and correct as of this date and MAKER represents to HOLDER the accuracy of each representation as if they have been made on this date. This Allonge (a) is being physically attached to the Note simultaneously with the entry into this Allonge by the parties hereto, to evidence the modification of the provisions of the Note effected hereby, and (b) shall upon such attachment be deemed to be a part of the Note, as fully and completely as if its provisions were set forth in the body of the Note.

3. **Definition.** The term “this Note” as used in the Note, shall mean the Note as modified herein unless the context clearly indicates or dictates a contrary meaning. Other defined terms in this Allonge were previously defined in the Note and have the same meaning as defined in the Note.

4. **Default.** In the event of a default in the payment of any installment of interest or principal due hereunder, HOLDER may, in addition to any other remedy provided by law, recover attorneys’ fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/Resident is terminated for non-payment.

5. **Liability and Obligations; No Novation.** MAKER ratifies and confirms all of its liabilities and obligations under the Note and agrees that, except as expressly modified in this Allonge, the Note continues in full force and effect as if set forth specifically herein. MAKER and HOLDER agree that this Allonge shall not be construed as an agreement to extinguish the original obligations under the Note and shall not constitute a novation as to the obligations of MAKER under the Note.

6. **Electronic Signature.** Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Allonge shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Allonge may sign separately in several counter-parts, all of which together shall constitute one and the same Allonge.

7. **Prior Consent.** This Allonge may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of HOLDER.

Maker(s):

HOLDER: Windsor Run, LLC

By: _____

Title: _____

Living Unit: _____

I. Custom Interiors Agreement (if any)

**CUSTOM INTERIORS AGREEMENT ADDENDUM TO
RESIDENCE AND CARE AGREEMENT**

THIS CUSTOM INTERIORS AGREEMENT (the “**Agreement**”) is made as of this _____ day of _____, 2____, by and between Windsor Run, LLC, having an address of 2030 Windsor Run Lane, Matthews, North Carolina 28105 (herein referred to as “**Windsor Run**”) and _____ (“**Resident**”).

RECITALS

R.1 Resident has entered or shall enter into a Residence and Care Agreement (the “**Care Agreement**”) with Windsor Run to occupy the following residential unit at the Community: _____ (the “**Living Unit**”).

R.2 Resident desires to purchase certain upgrades or make certain changes to the current condition of the Living Unit to customize the Living Unit for Resident. Windsor Run is willing to make the changes desired by Resident only upon the following terms and conditions.

R.3 Terms that are not defined in this Agreement have the same meaning as in the Resident’s Care Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Improvements. Resident and Windsor Run agree that Resident’s Living Unit will be customized with the upgrades and improvements (the “**Improvements**”) which are listed in the Statement of Work/Price Quote in Exhibit A, attached to and incorporated into this Agreement.

2. Cost of the Improvements. Resident agrees to pay to Windsor Run the contract fee (“**Contract Fee**”) for the Improvements as listed in Exhibit A. The Contract Fee is due and payable in full upon signature of this Agreement, prior to ordering any custom materials or starting the work. Once Windsor Run has commenced the work by engaging contractors and/or ordering materials, the Contract Fee is then non-refundable. If Resident withdraws his or her application, rescinds the Care Agreement, or fails to occupy the Living Unit for any reason after commencement of the work, Resident understands and agrees that Resident shall **not** be entitled to any reduction or refund of the Contract Fee except as provided in Section 3 hereof.

3. Refurbishing Charges:

a. Pre-Occupancy. If Resident does not occupy the Living Unit for any of the reasons described in Section 2 hereof, Windsor Run may, in its sole discretion, elect to refurbishing the Living Unit to its previous condition or to market the Living Unit with the Improvements to a new resident. If Windsor Run elects to restore the Living Unit, Resident is responsible for any Refurbishing Charges as provided in Section 9.4 of the Residence and Care Agreement (see Section 9.4).

b. Post-Occupancy. After the Occupancy Date by Resident, if the Residence and Care Agreement is terminated by either party for any reason or terminates due to the death of Resident, or if Resident is permanently transferred to a different Living Unit, Windsor Run may, in its sole discretion, elect to refurbishing the Living Unit to its pre-upgrade condition or to market the Living Unit with the Improvements to a new resident. When Windsor Run elects to restore the Living Unit, Resident is responsible for any Refurbishing Charges as provided in Section 9.4 of the Residence and Care Agreement.

4. Entire Agreement. This Agreement and the Care Agreement constitute the entire agreement between the parties in respect of customizing and restoring the Living Unit, and there are no oral agreements between the parties in connection herewith. This Agreement is incorporated into the Care Agreement. The Care Agreement remains in full force and effect, and, if there is any inconsistency between this Agreement and the Care Agreement, the Care Agreement shall govern. This Agreement may be amended only in writing executed by all parties.

5. Governing Law; Venue. This Agreement shall be governed by the law of the State of North Carolina. The parties agree that venue for any claim or action arising out of this Agreement shall be in Mecklenburg County, North Carolina.

6. Severability. In the event that any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder of the Agreement which shall remain in full force and effect and shall be construed as though they had not contained the invalid or unenforceable provision.

7. Notices. Any notice, invoice, or payment under this Agreement to be given to a party may be either personally delivered or sent by first-class mail, postage prepaid, to the addresses of the parties herein given, unless another address shall have been substituted for such address by notice in writing.

8. Electronic Signatures. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

INTENDING TO BE LEGALLY BOUND, the parties have set forth their signatures below.

RESIDENT

WINDSOR RUN, LLC

By: _____
Print Name: _____
Title: _____

EXHIBIT A – STATEMENT OF WORK/PRICE QUOTE

1. The work to be performed by Windsor Run is described in the attached Price Quote. Windsor Run has the right to sub-contract or assign portions of the work to its subcontractors, vendors or suppliers. If Resident requests additional work to the Living Unit, such requests must be made in writing. No work can be commenced in the unit until Resident has taken keys for the Living Unit. Windsor Run shall advise Resident of any changes to the Contract Fee due to the additional requested work.

2. Limitation of Liability. Windsor Run will perform the work in a timely manner and in workmanlike fashion. **WINDSOR RUN'S LIABILITY TO RESIDENT FOR ANY CLAIMS OF DEFECTS IN MATERIALS OR WORKMANSHIP OR ANY OTHER CLAIMS ARISING FROM THE WORK SHALL NOT, IN ANY CIRCUMSTANCE, EXCEED THE AMOUNT OF THE CONTRACT FEE PAID BY RESIDENT TO WINDSOR RUN.**

J. Guaranty Agreement (if any)

WINDSOR RUN
GUARANTY AGREEMENT ADDENDUM TO
RESIDENCE AND CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Windsor Run, LLC, ("Windsor Run") and _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and has entered or will enter into a Residence and Care Agreement with Windsor Run;

WHEREAS, Beneficiary's current financial status does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 8 of this Agreement. The Guaranty is unlimited as to amount.

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection. If Windsor Run believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Windsor Run will not attempt to collect from the Beneficiary first.

3. Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from Guarantor or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will first determine if Beneficiary has any readily available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Guarantor; third, from spending down the Entrance Fee paid to Windsor Run; fourth, seek to obtain payment from medical assistance if Windsor Run believes medical assistance is available to Beneficiary; and finally, seek to obtain funds from any remaining source of available funds.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6. Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this agreement shall be interpreted under the laws of the State of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime or dies during residence at Windsor Run, Windsor Run agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Beneficiary's outstanding charges.

9. This Guaranty is incorporated into the Residence and Care Agreement. The Residence and Care Agreement remains in full force and effect, and, if there is any inconsistency between this Guaranty and the Residence and Care Agreement, the Residence and Care Agreement shall govern.

10. Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act,

or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Guarantor

Witness

Guarantor

Windsor Run, LLC

Witness

By: _____

WINDSOR RUN MONTHLY CONTRIBUTION GUARANTY
ADDENDUM TO THE RESIDENCE & CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between WINDSOR RUN, LLC. (herein referred to as "Windsor Run") and _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____ ("Beneficiary") desires to become a resident of Windsor Run Retirement Community (the "Community"), operated by Windsor Run and has entered or will enter into a Residence and Care Agreement with Windsor Run;

WHEREAS, Beneficiary's current financial status does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of a portion of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at the Community pursuant to the terms of the Residence and Care Agreement. Specifically, Guarantor agrees to voluntarily and unconditionally pay to the order of Windsor Run _____ Dollars (\$_____) per month towards Beneficiary's Monthly Service Package which will assist Beneficiary to continue payment of the remaining monthly balance without depleting Beneficiary's stated assets verified during the admission process. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 8 of this Agreement. If applicable, this Guaranty is limited to a total of _____ Dollars (\$_____).

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Until the total limit of the guaranty is reached, Guarantor will remit monthly payment by the 15th day of each month to Windsor Run at the following address: _____ . Payments are due in advance for each month.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6 Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this Agreement shall be interpreted under the laws of the State of North Carolina, and venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime, dies during residence at the Community, or Beneficiary becomes a permanent resident of the nursing facility to be located at Windsor Run, Windsor Run agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Guarantor's obligations pursuant to this Guaranty Agreement. In addition, Windsor Run agrees that Guarantor shall be released from its obligations when and if Guarantor has paid the total limit of the guaranty as stated in Section 1 hereof.

9, Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Guarantor

Witness

Guarantor

WINDSOR RUN, LLC

Witness

By: _____

WINDSOR RUN
LIMITED GUARANTY AGREEMENT (JOINT ASSETS)
ADDENDUM TO RESIDENCE AND CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Windsor Run, LLC ("Windsor Run") and _____ (herein collectively referred to as "Guarantor").

Recitals

R.1 _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and will enter into a Residence and Care Agreement with Windsor Run;

R.2 Beneficiary and Guarantor own jointly the assets (the "Joint Assets") set forth in Exhibit A, attached to and incorporated in this Agreement which Joint Assets have the value set forth in Exhibit A as of the date of this Agreement;

R.3 Due to the ownership of the Joint Assets, Beneficiary's individual financial status does not meet Windsor Run's standard qualifications for residency;

R.4 Guarantor desires to give Windsor Run additional assurances as to the Joint Assets in order to induce Windsor Run to accept the Beneficiary as a resident;

Agreement

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Subject to the limitations set forth in Section 2 hereof, Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 9 of this Agreement.

2. Unless Guarantor has committed a Default under this Guaranty as defined in Section 5 hereof, the Guaranty is limited to payment from the Joint Assets as set forth in Exhibit A. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Subject to Windsor Run's verification of Beneficiary's financial qualifications other than the Joint Assets and to Windsor Run's determination of the appropriate level of care for Beneficiary, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

4. In the event that Beneficiary is unable to meet his/her obligations under the Residence and Care Agreement without use of the Joint Assets, Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from the Beneficiary, the Joint Assets, the Guarantor, or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will take the following steps:

- 4.1. Upon Beneficiary's or Beneficiary's duly authorized representative's request for assistance pursuant to the Residence and Care Agreement, Windsor Run shall review the Beneficiary's then-current financial status, including but not limited to the balance of the Joint Assets. Windsor Run may request further documentation to show that any changes in the value of the Joint Assets, as shown in Exhibit A, were either expenditures made for the direct benefit of the Beneficiary or market fluctuations in the value of the Joint Assets.
- 4.2. If Windsor Run believes in its sole discretion that any expenditures from the Joint Assets were spent for the benefit of Beneficiary and that Beneficiary is not otherwise in breach of the Residence and Care Agreement, Windsor Run may then initiate a spend-down plan with the Beneficiary or the duly authorized representative for Beneficiary's assets, including the Joint Assets, other than the Entrance Fee. Windsor Run may require that Resident seek to obtain funds from outside sources such as medical assistance. If Windsor Run believes in its sole discretion that any expenditures from the Joint Assets were due to a Default by Guarantor, Windsor Run shall proceed as provided in Section 5 hereof.
- 4.3. After spend-down of Beneficiary's assets, including the Joint Assets, Windsor Run shall release the Guaranty and shall initiate a spend-down of the entrance fee.

5. Guarantor will be in Default under this Guaranty Agreement in the event that Guarantor withdraws, spends, distributes, pledges, assigns, or otherwise uses the Joint Assets for any purpose other than for the direct benefit of the Beneficiary. In the event of a Default, as a matter of policy but not obligation, Windsor Run shall normally proceed as follows:

- 5.1. Prior to initiating a spend-down plan as described in Section 4.2, Windsor Run shall first enforce the Guaranty. Windsor Run shall have the right to enforce payment of the Guaranty against any and all of Guarantor's personal assets in any form whatsoever and shall not be limited to payment from the Joint Assets. The Guaranty shall be limited to the amount of the Joint Assets withdrawn, spent, distributed, pledged, assigned, or otherwise used by the Guarantor other than for the direct benefit of the Beneficiary, which amount shall be determined by Windsor Run in its sole discretion.
- 5.2. In the event that Windsor Run is required to hire a collection agency or to initiate legal proceedings to enforce the Guaranty, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any and

all interest, collection costs, and court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Guaranty.

5.3. After payment to Windsor Run of all sums due pursuant to the Guaranty and any interest, collection costs, court costs, including reasonable attorney's fees, which may be due pursuant to Section 5.2, Windsor Run will work with the Beneficiary or the Beneficiary's duly authorized representative to initiate the steps listed in Section 4.2 and 4.3 hereof for the spend-down program.

6. The parties agree that this agreement shall be interpreted under the laws of the State of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

7. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

8. In addition to all rights available to Windsor Run under this Agreement, Windsor Run shall also have all of the rights and remedies enumerated in the Residence and Care Agreement, up to and including termination of residency, for non-payment of fees.

9. Windsor Run agrees that it will release Guarantor from the obligations under this Guaranty Agreement upon the sooner of:

- a. The termination of the Residence and Care Agreement either during his/ her lifetime or due to Beneficiary's death, upon satisfaction of all Guarantor's obligation under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Living Unit, whichever event shall occur first;
- b. The completion of the steps listed in Sections 4.1, 4.2 and 4.3 hereof; or
- c. The payment of all sums due to Windsor Run, as enumerated in Section 5.3, in the event of a Default.

10. Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Guaranty Agreement.

Witness

Guarantor

Witness

Guarantor

Windsor Run, LLC

Witness

By: _____

EXHIBIT A

Joint Assets

Value as of Date of Agreement

WINDSOR RUN TRUST GUARANTY
ADDENDUM TO THE RESIDENCE & CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 200__
between Windsor Run, LLC ("Windsor Run") and
_____ (herein collectively referred to as "Trustee(s)").

WHEREAS, _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and has entered or will enter into a Residence and Care Agreement with Windsor Run.

WHEREAS, Beneficiary has certain assets and/ or income in a trust settled for his/her benefit known as the _____ Trust dated _____ (the "Trust");

WHEREAS, Beneficiary's individual financial status, without consideration of the Trust assets, does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances of the Trust;

WHEREAS, the Trustee(s), on behalf of the Trust, desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Trustee(s), for and on behalf of the Trust, agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement to the extent of the assets of the _____ Trust dated _____ (the "Trust") which assets are listed in Exhibit A, attached and incorporated hereto. This Guaranty shall continue in effect from the date of this Agreement until the Trustee(s) is released by Windsor Run pursuant to Section 9 of this Agreement.

2. In the event that the Trust is revoked, Beneficiary and/ or Trustee(s) shall give written notice to Windsor Run of the disposition of any and all of the assets of the Trust.

3. Trustee(s) understands that this is an unconditional Guaranty of payment, not collection. If Windsor Run believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Windsor Run will not attempt to collect from the Beneficiary first.

4. Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from Trustee(s) or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will first determine if Beneficiary has any readily

available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Trustee(s); third, from spending down the Entrance Fee paid to Windsor Run; fourth, seek to obtain payment from Medicaid if Windsor Run believes Medicaid is available to Beneficiary; and finally, seek to obtain funds from any remaining source of available funds.

5. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

6. Trustee(s), for the Trust, hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Trustee(s) further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Trustee(s) shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

7 The Trust will be deemed to have defaulted under this Guaranty Agreement in the event that Trustee(s) fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

8. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Trustee(s) shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this agreement shall be interpreted under the laws of the Commonwealth of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Loudoun County, North Carolina.

9. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime or dies during residence at Windsor Run, Windsor Run agrees that Trustee(s) and the Trust shall be released from its obligations under this Guaranty Agreement upon satisfaction of all Guarantor's obligation under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Continuing Care Unit, whichever event shall occur first.

10. Trustee(s) hereby acknowledges that he/ she is fully authorized by the Beneficiary(ies) to guaranty the assets of the Trust.

11. Trustee acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Trustee's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be

deemed to refer to the successor owner or operator, and Trustee shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Trustee.

12. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Trustee of the Trust

Witness

Trustee of the Trust

Windsor Run, LLC

Witness

By: _____

EXHIBIT A

Trust Assets as of _____, 20__:

K. Unit Release Forms

WINDSOR RUN
UNIT RELEASE ADDENDUM

Resident(s): _____ Unit: _____

Storage bin: _____ Parking Space/ Covered Parking: _____

Estimated Departure Date: _____

This form is used to release the current Living Unit in the event of a termination of the Residence and Care Agreement. The term “Community” refers to Windsor Run, LLC.

1. I/We hereby release the referenced Living Unit for resettlement. I/We intend to vacate the Living Unit by the indicated Estimated Departure Date and will also relinquish the keys to the Community. I/We also will relinquish the referenced storage bin and parking space as of the same date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Living Unit as of _____. If I/We are still living in the Living Unit, the Community will show the Living Unit only on mutually agreeable dates and times.

3. I/We will be responsible for the monthly service package, minus the non-occupancy credit as applicable, for the period defined in Section 8.6 of the Residence and Care Agreement or the Refund Section of the Continuing Care Addendum to the Residence and Care Agreement, as applicable.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for the Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy; however, depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

ILU Release ALF/Memory Care Release Nursing Unit Release

5. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. After the conditions are met, the Community will generate the Refund within the 60 day period. The full 60 day period may be needed to generate the Refund. The Community also offers these options (*please initial one*):

a. To expedite the Refund, I/ We direct the Community to deduct the amount of the final bill from the Refund and to send a copy of the final bill with the Refund check(s) depending on the designation of beneficiaries per the Refund Form. I/We will still have a reasonable opportunity to review the final bill and discuss charges deducted from the Refund. The Community will refund charges that

were deducted in error. **Initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6.**

_____ b. I/ We direct the Community to send the final bill for approval before any Refund. I/We understand that this may extend the processing for the Refund to the full 60 day period. **Initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum and any inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

Date

Signature of Resident or Resident's Representative

If signed by a Representative, Name, Address and
Phone # of Representative:

Staff Member: _____

WINDSOR RUN
UNIT RELEASE - TRANSFER ADDENDUM

Resident(s): _____ Unit: _____

Storage bin: _____ Parking Space/ Covered Parking: _____

Estimated Departure Date: _____

This form is used to release the current Living Unit in the event of a transfer and to modify the Residence and Care Agreement for changes in the Resident's new Living Unit, monthly service package, and Entrance Fee, if any. The term "Community" refers to Windsor Run.

1. I/We hereby release the referenced Living Unit for resettlement. I/We intend to vacate the Living Unit by the indicated Estimated Departure Date and will also relinquish the keys to the Community. I/We also will relinquish the referenced storage bin and parking space as of the same date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Living Unit as of _____. If I/We are still living in the Living Unit, the Community will show the Living Unit only on mutually agreeable dates and times.

3. Per Section 8.5 of the Residence and Care Agreement, I am responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit as applicable, for the vacated Living Unit until I completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to Windsor Run.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for the Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy; however, depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

- _____ ILU to ILU
- _____ ILU to ALF/Memory Care/ Nursing
- _____ ALF Unit to any unit
- _____ Memory Care Unit to any unit
- _____ Nursing Unit to any unit
- _____ Any unit to another Erickson managed campus

5. I/ We are making the following transfer:

_____ a. I am/We are moving to Unit _____ at the Community. The new monthly fee shall be \$ _____ and the Entrance Fee

(circle one): remains the same/ is changed to \$_____. I/We have the right to occupy the new Unit from the Occupancy Date for such new Unit to the Departure Date for such new Unit.

_____ b. I am/ We are moving to _____, an Erickson managed community. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. I/ We direct the Community to send the Refund to _____ after the final bill at this Community is settled.

i. I/ We direct the Community to automatically deduct the final bill at this Community from the Refund. **Initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6**

ii. I/ We do not want the final bill automatically deducted. I/ We understand that the final bill must be paid separately before the Refund is made to the new community and that this may extend the time for move-in to the new community. **Initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum, and any other inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

Date

Signature of Resident or Resident's Representative

If signed by a Representative, Name, Address and Phone # of Representative:

()

Staff Member: _____

***WINDSOR RUN
RESIDENCE AND CARE AGREEMENT
FULLY DECLINING REFUND***

June 2026

THIS MATTER INVOLVES A SUBSTANTIAL FINANCIAL INVESTMENT AND A LEGALLY BINDING CONTRACT. IN EVALUATING THE DISCLOSURE STATEMENT AND THE AGREEMENT PRIOR TO ANY COMMITMENT, IT IS RECOMMENDED THAT YOU CONSULT WITH AN ATTORNEY AND FINANCIAL ADVISOR OF YOUR CHOICE, IF YOU SO ELECT, WHO CAN REVIEW THESE DOCUMENTS WITH YOU.

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**WINDSOR RUN
RESIDENCE AND CARE AGREEMENT**

This Residence and Care Agreement (the “Agreement”) is made and entered into the _____ day of _____, _____ by and between WINDSOR RUN, LLC (referred to in this Agreement as “We”, “us” or “Windsor Run”) and _____ (referred to in this Agreement as “You” or the “Resident(s)”).

RECITALS

R.1 Windsor Run Retirement Community (the “Community”) is a continuing care retirement community located in Matthews, North Carolina, offering various living accommodations and services to seniors, as described herein.

R.2 WINDSOR RUN is a certified continuing care provider under the laws of the State of North Carolina. WINDSOR RUN desires to provide certain services listed in this Agreement to Resident and Resident desires to receive such services.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. DESCRIPTION OF COMMUNITY

The Community is planned to include Independent Living Units, Assisted Living Units, and Nursing Units. The Community is a smoke-free campus and you agree to abide by our rules restricting smoking (see Section 13.7).

1.1 Independent Living Units. The Community currently includes approximately 700 Independent Living Units with the potential for additional Independent Living Units in future phases. The Community will also include community spaces such as dining areas, a beauty salon, classrooms, card rooms, lounges and other common areas. We also plan to feature amenities such as a center for on-site physician visits, a pool, and fitness center.

1.2 Continuing Care at Windsor Run. Continuing Care at Windsor Run refers to our on-site health care neighborhood. Each floor of the facility includes a dining room, a resident lounge, activity rooms and a bathing core. The initial phase of Continuing Care at Windsor Run includes approximately 7 Assisted Living Units and 22 Nursing Units, with different service packages including Memory Care Services in selected units. We anticipate that the aggregate number of Living Units will adequately serve the needs of Community residents. However, in the unusual circumstance that the Assisted Living Units are fully occupied, our Medical Director, or his or her designee, first will arrange for Ancillary Services to be offered in Resident’s Independent Living Unit and second, if necessary, will assist in arranging for a

transfer to an Off-Site Facility in the immediate area. See Section 8.4 for fees payable by you in the event of such a transfer. Continuing Care at Windsor Run is anticipated to open in 2021 but the opening date and number of units are approximate and may change according to regulatory requirements, weather conditions, market demands, etc. We may also open Continuing Care at Windsor Run by phasing in the available levels of care (See Section 4.2, 4.3 and 4.4). Until the facility is opened, we will enter into transfer agreements for residents with outside assisted living, memory care services, and nursing care.

Section 2. TERM

The Term of this Agreement shall commence on the date on which this Agreement is executed by you and us and shall continue for your lifetime unless the Agreement is terminated earlier per Section 12 of this Agreement.

Section 3. LIVING ACCOMMODATIONS

3.1 Your Right to Occupy. You have the right to occupy and to use the following Living Unit: _____, as-is, from the Occupancy Date to the Departure Date, subject to provisions for a change in accommodations as provided in Section 11 of this Agreement. You may not assign or sublet the right to occupy a Living Unit to any other person. We will provide the Living Unit, in good condition, with neutral painted walls, and with standard carpeting/ and or floors in Independent Living Units and Assisted Living Units.

3.2 Joint Residents. When two (2) or more residents enter into the same Residence and Care Agreement, they are considered to be Joint Residents. Each Joint Resident is required to meet our financial requirements for entrance into the Community, as well as our health qualifications for occupancy of a selected Living Unit, whether the prospective Joint Residents move to the Community together or on different dates.

3.3 Rights of New Spouse. If during the term of residency, you marry a person who is not a resident of the Community, your new spouse will be required to meet our financial and health-related qualifications for entrance into the Community. The financial qualifications are meant to serve as a financial protection for our larger community of residents. We reserve the right to determine the appropriate level of care within the Community for the spouse or to determine that there is not an appropriate level of care within the Community for the spouse. If your spouse is not accepted, you may terminate this Agreement per Section 12.2 hereof. If your spouse is accepted for residency, the fee structure described in Sections 7.3.2 and 8.2 for Joint Residents will apply.

3.4 Resident's Obligation to Furnish & Maintain Unit. You are responsible for furnishing the Independent Living Unit or the Assisted Living Unit, and for procuring insurance for personal possessions and furnishings. We will provide furnishings and equipment, if required by law, for Assisted Living Units. We will provide furnishings and equipment, as required by law, for Nursing Units. You are also responsible to maintain any Living Unit in which you reside in reasonably clean and habitable condition.

3.5 Customized Improvements. You may decorate the Living Unit to your personal taste with pictures, window treatments, and the like, so long as such decorations are not permanent fixtures to the Unit or can be easily removed without damaging the structural integrity of the Unit. All other customized improvements to any Independent Living Unit or Assisted Living Unit that you want to undertake either before or after the Occupancy Date must be approved in writing by the Executive Director. If you contract with an outside contractor, the selection of your contractor and the proposed plans or work must be approved by the Executive Director. If you contract with us to do the work, we will sign a contract to agree upon the extent of work and the charges related to the work to be done. For charges related to the removal of any improvements, please see Section 9.4. No customized improvements may be made to a Nursing Unit.

Section 4. SERVICES TO RESIDENTS

We will make available the following services to you, as applicable, for the appropriate Monthly Service Package, during your residency here, unless the Agreement is terminated earlier per Section 12. We may change your Monthly Service Package or the scope of services or care only after we provide you with thirty (30) days advance notice of the change, except for changes required by State or Federal assistance programs.

4.1 Independent Living Services. We provide the following Covered Services included in the Monthly Service Package for Independent Living:

- Monthly Meal Credit Plan (see Section 15);
- 24 hour on-site staff and emergency alert system;
- All utilities in the Living Unit including these cable/ telephone/ data services:
 - Basic Cable television service (premium channels additional charge);
 - Local, Long Distance and International landline phone service;
 - Wireless internet service;
- On-site Fitness Center basic membership (includes standard weekly classes as scheduled);
- One Reserved Parking Space per Living Unit (see Section 15)
- General Maintenance of buildings, grounds and fixtures;
- Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
- Sewage, trash and snow removal from common areas only; and
- Use of all public rooms and common areas of the Community.

4.2 Assisted Living Services . After the opening of our Continuing Care building, we will provide several packages for Assisted Living residents to serve different care needs. The services listed below are included in most care packages but some services may not be available for certain care packages. Further details on the services available at each level of Assisted Living and additional rights and obligations in Assisted Living will be set forth in the Assisted Living Addendum to the Residence and Care Agreement:

Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;
 Prescription evaluation and planning;
 Service plan designed by a care team;
 Medication administration;
 At least three meals per day;
 Regularly scheduled Registered Nurse review and assessment;
 Personal laundry service;
 Weekly Light House-keeping (See Section 15);
 Assistance with Incontinence Care;
 Regular social work team services related to cognitive, behavioral and safety issues;
 Licensed nurse management of chronic/ stable conditions on a regular basis;
 24 hour on-site staff and emergency alert system;
 All utilities in the Living Unit including these cable/ telephone/ data services:
 Basic Cable television service (premium channels additional charge);
 Local, Long Distance and International landline phone service;
 Wireless internet service;
 General Maintenance of buildings, grounds and fixtures;
 Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
 Sewage, trash and snow removal from common areas only; and
 Use of all public rooms and common areas of the Community.

4.3 Memory Care Services. After the opening of our Continuing Care building, we will provide memory care services for residents to serve different care needs. The services listed below are included in most care packages but some services may not be available for certain care packages. Further details on the services available and additional rights and obligations will be set forth in a contract Addendum to the Residence and Care Agreement:

Provision of supervision, verbal cuing and physical assistance, as appropriate for the Resident's designated care package, in the performance of activities of daily living ("ADLs"), including ambulation, personal hygiene, dressing, toileting and eating;
 Memory Care services/ programming
 Prescription evaluation and planning;
 Service plan designed by a care team;
 Medication administration;
 At least three meals per day;
 Regularly scheduled Registered Nurse review and assessment;
 Personal laundry service;
 Weekly Light House-keeping (See Section 15);
 Assistance with Incontinence Care;
 Regular social work team services related to cognitive, behavioral and safety issues;
 Licensed nurse management of chronic/ stable conditions on a regular basis;
 24 hour on-site staff and emergency alert system;

All utilities in the Living Unit including these cable/ telephone/ data services:
Basic Cable television service (premium channels additional charge);
Local, Long Distance and International landline phone service;
Wireless internet service;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);
Sewage, trash and snow removal from common areas only; and
Use of all public rooms and common areas of the Community.

4.4 Nursing Care Services. After the opening of our Continuing Care building, we will provide the following Covered Services included in the Nursing Fee. Further details on the services available for nursing care will be set forth in the Nursing Admission Addendum to the Residence and Care Agreement:

Nursing care;
Three meals a day;
Tray service;
Individual care plans;
Planned activities;
Social work services;
Laundry services for linens and towels owned by us;
Housekeeping;
Nurse/ Resident communication system;
Security/Safety Officers on duty 24 hours;
Basic Cable Service (premium channels additional charge);
All utilities in the Living Unit including these cable/ telephone/ data services:
Basic Cable television service (premium channels additional charge);
Local, Long Distance and International landline phone service;
Wireless internet service;
General Maintenance of buildings, grounds and fixtures;
Insurance of buildings and grounds including insurance for the Living Unit, including the structures and fixtures in such unit, except items owned by Resident (See Section 9.5);

Sewage, trash and snow removal from common areas only; and
Use of all public rooms and common areas of the Community.

Section 5. ANCILLARY SERVICES

5.1 Services Available through WINDSOR RUN. In addition to the Covered Services described earlier in Sections 4.1, 4.2, 4.3, and 4.4, we expect to also make the following services available to you subject to availability as noted below. Other services that are not currently listed may also be available. Some of these services may be arranged and coordinated by Windsor Run but delivered by an outside provider depending on demand. We may change the scope of or fees charged for such Ancillary Services only after providing you with thirty (30) days advance notice, except for changes required by State or Federal assistance programs.

Meal Delivery service;
Housekeeping and laundry service for residents in Independent Living
Additional housekeeping or additional laundry service for residents in Assisted Living Units or units providing Memory Care Services;
Extra meals for residents in Independent Living (unless covered by Monthly Meal Credit as defined);
Guest meals (unless covered by Monthly Meal Credit as defined);
On-site Fitness Center premium services or classes;
Personal storage space (limited availability);
Second Reserved parking space (limited availability);
Off-campus transportation within a radius determined by us;
Catered Living services (See Section 15); and
Home support services

5.2 Services Available through Outside Providers. We expect to contract or make arrangements with outside providers to provide the following services to you at the Community: visiting physician services through an on-site center; laboratory services; medical supplies; prescription drugs, home health, therapy, rehab services and hospice care. These services will be provided at an additional fee and will be billed separately by the outside provider. Such services may be covered by Medicare or by resident's other medical insurance. We do not charge any additional fee for use of or access to these outside providers. These services will be phased in as the Community is developed and some services may not be immediately available.

5.3 Services Not Provided. We do not provide hospice care, acute hospital care, or any institutional care other than what we are licensed to provide in care that is appropriate in an Assisted Living Unit, a unit providing Memory Care Services, or a Nursing Unit, or otherwise covered under the terms of this Agreement. In addition, we do not expect to provide short-term rehabilitative care, including therapies or services typically delivered in skilled nursing or rehabilitation facilities following an illness, injury, or surgical procedure, as these currently fall outside the scope of services offered within the Community.

Section 6. OTHER RESIDENT RIGHTS

6.1 Residents' Association. You have the right to participate fully in a Residents' Association, or other organization of residents by whatever name designated and to meet privately to conduct business.

6.2 Resident Guests. You have the right to receive guests and visitors at the Community and to allow such guests and visitors to stay in an Independent Living Unit on a temporary basis, subject to our reasonable policies and procedures for use of the Community. Guest meals (unless covered by the Monthly Meal Credit Plan as defined) will be treated as an Ancillary Service, the costs of which are chargeable to you.

6.3 Physicians and Other Professionals. You have the right to select attending physicians and other health care professionals, provided such physicians or other health care professionals shall agree to follow our reasonable policies and procedures and applicable federal

and state laws, rules and regulations. You are not required to use any of the on-site physician services.

Section 7. ENTRANCE FEE

7.1 Payment of Entrance Fee. You will pay or have paid to us a total Entrance Fee as shown in Section 16 of this Agreement. The payment of the Entrance Fee may be made in a series of deposits on or before taking occupancy of your Living Unit at the Community. For Joint Residents, the total Entrance Fee shall be deemed to be a joint asset of the Joint Residents with a right of survivorship and may be used for the care of either Joint Resident.

7.2 Escrow of Entrance Fee and Release from Escrow. The deposits made by you towards the total Entrance Fee will be held in escrow in a banking institution in North Carolina, acting as an escrow agent. While held in escrow, Entrance Fees are considered the property of the prospective resident but any interest earned will be for the benefit of Windsor Run. Prior to occupancy of a Living Unit, Entrance Fees deposited in escrow will be returned to a prospective resident before occupancy: (i) within thirty days of the written request of the Resident; ii) if Resident is precluded from occupying a unit due to death, injury, incapacity, or illness; iii) if Resident is determined to be ineligible for entrance into the community; or iv) upon rescission of the Residence and Care Agreement pursuant to Section 12 of this Agreement.

As new buildings are developed, the escrow agent will release 25% of escrow monies to Windsor Run when 50% of independent living units in a building are pre-sold, permanent financing is secured, and Entrance Fees plus proceeds of financing equals 90% or more of the costs to construct and equip the facility and provide cash flow funds equal 90% or more of funds needed to fund start-up losses and assure full performance of obligations. Seventy-five (75%) percent of funds can be released to Windsor Run when 75% of independent living units in the building are presold with at least a 10% deposit, construction is complete and units available for occupancy.

When the Entrance Fee is released in full, we can fully use the Entrance Fee. We normally use the Entrance Fees for financing, operational costs, or future refunds for the Community. Appreciation in new Entrance Fees can generally be used for capital repairs or improvements for the Community, equity distributions, operational costs including rent, and for any reserve funds, but the Entrance Fees, including refundable, non-refundable and appreciation amounts, may be used for any required purpose. However, you will retain the right to the Unearned Refund Amount as discussed in this Section 7. No interest shall be accrued or paid to you on your Entrance Fee.

7.3 Adjustments to Entrance Fee. You will not be required to pay an additional or increased Entrance Fee as long as you reside in your original Living Unit. You retain the right to the refund, upon the termination of this Agreement, as discussed in Sections 7.4, 7.5, and 7.6 of this Agreement.

7.3.1 If you request a permanent transfer from one Living Unit to another

Living Unit with a higher Entrance Fee and we approve the transfer, you must pay to us an additional deposit for the new Living Unit to which you are transferring. The amount of the additional deposit will vary, depending on market conditions for your current Living Unit and for the desired new Living Unit at the time of the transfer and may be a full second Entrance Fee. We will advise you of the additional deposit/ Entrance Fee prior to the transfer and you may then decide whether or not to proceed with the transfer. If you transfer and pay the new deposit, you agree that the new deposit is immediately subject to the original declining balance schedule consistent with your the Occupancy Date of your original Living Unit for purposes of Section 7.5.

7.3.2 After the Occupancy Date, if you later wish to add a Joint Resident such as a new spouse to your Living Unit (See Section 3.2), the Joint Resident must qualify for residency per Section 1.4 and must be accepted by Windsor Run. If accepted as a Joint Resident in your current Living Unit, there is no additional Entrance Fee. If the proposed Joint Resident is offered residency in a different Living Unit, then he or she must pay the Entrance Fee associated with that second Unit.

7.3.3 You will normally not be entitled to a refund or decrease of the Entrance Fee due to any temporary or permanent transfer, for whatever reason, during the Term of this Agreement. However, we may make a partial refund of the Entrance Fee, minus any portion of the Entrance Fee that we have earned for each month of your residency pursuant to Section 7.5, to you in the following circumstances: 1) You transfer to a smaller Independent Living Unit than the Independent Living Unit which you currently occupy; and 2) the Entrance Fee for the smaller Independent Living Unit is currently lower than the Entrance Fee that you originally paid for an Independent Living Unit. In these specific circumstances, we may elect to refund the difference between the current Entrance Fee for your new Independent Living Unit and the original Entrance Fee paid by you but minus any portion of the Entrance Fee that we have earned for each month of your residency pursuant to Section 7.5.

7.4 Refund of Entrance Fee within Rescission Period or Prior to Occupancy . We shall pay a refund of the Entrance Fee to you or your representative, as appropriate, if the agreement is terminated within the thirty (30) day rescission period as described in section 12.1 hereof, regardless of whether you occupy the unit. In addition, we shall pay a refund of the Entrance Fee to you if the agreement is terminated after the rescission right expires but prior to the Occupancy Date as described in section 12.1. We will refund the Entrance Fee within thirty (30) days following the rescission or the pre-occupancy termination, as the case may be. If one joint resident dies prior to occupancy, the remaining resident may, but is not required to, rescind this agreement. The surviving resident may also request a different living unit and we will refund or charge any difference in the Entrance Fee between the living units; provided, however, that this election is made in writing at least thirty (30) days prior to occupancy. Per Section 9.1 of this Agreement, we may keep the Application Fee as a reasonable processing charge.

7.5 Refund of Entrance Fee After Expiration of Right of Rescission and Occupancy Date

7.5.1 Refund Amount – Termination Within First 48 Months. If this Agreement is terminated at the election of all Residents in the Living Unit during their lifetime following the thirty day period described in Section 12.1.1 and within and including the first forty-eight (48) months from the original Occupancy Date, we will refund an Unearned Refund amount equal to the Entrance Fee (i) minus a processing fee of 4% of the Entrance Fee, and (ii) minus a fee equal to 2% of the Entrance Fee per month for each month from the original Occupancy Date through the Departure Date (even if such final month is only a partial month). The payment of the refund is subject to Sections 7.5.4, 7.5.5 and 7.6 below.

7.5.2 Refund Amount –Death of Resident(s) or Death of One Resident, and Subsequent Termination Within First 48 Months. If (a) either a single Resident or both Joint Residents pass away after the expiration of the thirty day period described in Section 12.1.1 and within and including the first forty-eight (48) months from the Occupancy Date, or (b) One Joint Resident passes away and the surviving Joint Resident terminates this Agreement after the expiration of the thirty day period described in Section 12.1.1 and within and including the first forty-eight (48) months from the Occupancy Date, we will refund an Unearned Refund amount equal to the Entrance Fee (i) minus a processing fee of 4% of the Entrance Fee, and (ii) minus a fee equal to 2% of the Entrance Fee per month for each month following the Occupancy Date, including the final month of the term of this Agreement (even if such final month is only a partial month). The payment of the refund is subject to Sections 7.5.4, 7.5.5 and 7.6 below.

7.5.3 No Refund After First 48 Months. If this Agreement terminates after the first forty-eight (48) from the Occupancy Date or later, whether due to your choice, our choice, or your death, you will not be entitled to any refund of the Entrance Fee.

7.5.4 Timing of Unearned Refund Payment.

- a. If you are entitled to an Unearned Refund of a portion of your Entrance Fee pursuant to Sections 7.5.1 or 7.5.2 of this Agreement due to the termination of this Agreement following the Occupancy Date, other than a termination by us under Section 12.3, we will pay the refund within one hundred eighty (180) days after you turn in your keys and vacate any Living Unit(s), including parking or storage spaces, which you were occupying on the Departure Date.
- b. If we terminate this Agreement for just cause as set forth in Section 12.3, we will pay you on your Departure Date any Unearned Refund to which you are entitled depending on your months of residency pursuant to this Section 7.5, less a reasonable offset of fees as described in Section 7.6. Any funds that we retain and do not use for such purposes will be refunded to you within 45 days

after you turn in your keys and vacate any Living Unit(s), including parking or storage spaces, which you were occupying on the Departure Date.

7.5.5 How Unearned Refund is Payable. If an Unearned Refund is due to you, we will pay the appropriate refund to the duly designated beneficiaries named in your refund form. If there is no refund form on file, then we will refund to you if you leave during your lifetime and to your estate if you pass away as a resident. If one Joint Resident dies or moves out of the Community, there will be no refund of any portion of the refund; instead, so long as a surviving/remaining Joint Resident continues to reside at the Community, the Entrance Fee shall be deemed to have been paid entirely on behalf of the remaining resident to be used for the remaining resident's care if necessary, and the refund will eventually be paid to the remaining resident, to the beneficiaries named in the remaining resident's refund form, or to the remaining resident's estate.

7.6 Offset of Unpaid Fees from Entrance Fee Refund. We may withhold from any Unearned Refund that is payable to you, your estate, or other duly designated beneficiaries such amounts as may be required to pay (a) any unpaid fees or charges for services provided to you at the Community, (b) the refurbishing charges as defined in Section 9.4, and (c) any other amounts to which we are entitled under this Agreement.

Section 8. MONTHLY SERVICE PACKAGES

8.1 Monthly Service Package. During the term of this Agreement, you must pay the applicable Monthly Service Package for the Living Unit. As of the date of this Agreement, the applicable Monthly Service Package for Resident's current Living Unit is shown in Schedule I. Monthly Service Package The Monthly Service Package is due and payable each month, in advance, within five (5) days from the date of the monthly invoice; provided, however, that the Monthly Service Package for the month during which you first take occupancy of the Living Unit shall be payable in arrears on a pro-rated basis with the payment of the Monthly Service Package for the first full calendar month occurring during the term of this Agreement. Our acceptance of partial payment of the Monthly Service Package does not constitute a waiver of such outstanding fees and charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

8.2 Monthly Service Package for Joint Residents. Joint Residents occupying the same Living Unit shall pay the appropriate Monthly Service Package for double occupancy of the Living Unit. If Joint Residents occupy different Living Units, both Residents shall be jointly and severally liable for the full Monthly Service Package for both Living Units. This fee structure applies to Joint Residents who move to the Community together and to a Resident and a new spouse or other new Joint Resident who are accepted to the Community on different dates.

8.3 Adjustments to the Monthly Service Package. The Monthly Service Package may be revised from time to time. We normally use the Monthly Service Package to cover the expenses of providing covered services to Residents but we may use the Monthly Service Package for any other purpose. We generally adjust fees on an annual basis after having

evaluated those factors that we perceive to be relevant to the costs associated with operating the Community and other financial requirements. Normally such changes will be made to become effective on January 1 of the next following calendar year. However, except for changes required by State or Federal assistance programs, we reserve the right, at any time, upon thirty (30) days' notice to you, to adjust the independent living Monthly Service Packages and upon sixty (60) days' notice to adjust the Monthly Service Package or daily rates in Continuing Care to reflect any additional cost or liability for which there is no adequate, budgeted reserve, including, but not limited to, tax liability for real estate taxes relating to the Community, increased operating expenses and inflation. Notice to residents in Assisted Living or units providing Memory Care Services may be less than thirty (30) days only if the adjustment is due to change in your level of care.

8.4 Monthly Service Package in the Event of a Temporary Transfer. In the event that you temporarily transfer to another Living Unit in the Community or to an Off-Site Facility, you must pay the Monthly Service Package for your permanent Living Unit in addition to the Monthly Service Package for the temporary Living Unit or the Off-Site Facility, as the case may be. Payment of the Monthly Service Package for your permanent Living Unit assures that such permanent Living Unit will remain available to you during the time of the temporary transfer. The Monthly Service Package for a temporary Living Unit at the Community shall be prorated on a daily basis for the period of the temporary transfer.

During the period of the temporary transfer, your Monthly Service Package for the permanent Living Unit is adjusted as follows: (1) if a single Resident or one Joint Resident transfers, the Monthly Service Package will be reduced by a single Non-Occupancy Credit if applicable and defined in Section 15 of this Agreement, (2) if both Joint Residents transfer from a double occupancy Unit, the Monthly Service Package will be reduced by the two-person Non-Occupancy Credit if applicable, (3) if both Joint Residents transfer, one from a Living Unit and one from another Living Unit, each Resident's Monthly Service Package shall be reduced by the respective Non-Occupancy Credit if applicable.

Upon your return to the permanent Living Unit, you must continue to pay the current Monthly Service Package associated with such Living Unit.

8.5 Monthly Service Package in the Event of a Permanent Transfer to a Different Living Unit. If you permanently transfer from one Living Unit to another Living Unit at the Community, you are responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit as applicable, for the vacated Living Unit until you completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to us.

8.6 Monthly Service Package in the Event of a Termination of Agreement. If you terminate this Agreement, or if we terminate this Agreement for just cause in accordance with Section 12.3, or if this Agreement should terminate by reason of your death, then you or your estate, as the case may be, shall be responsible for the payment of the Monthly Service Package for the vacated Living Unit, less the Non-Occupancy Credit if applicable, for a period of up to

and including ninety (90) days from the date that both of these conditions are fulfilled: (i) you vacate the Living Unit and remove all possessions, and (ii) you sign a Unit-Release Form for the Living Unit and return your keys. If you are a permanent resident of our Continuing Care at the time that residency is terminated for any reason, please refer to the applicable Continuing Care service addendum for the applicable policy. If your vacated Living Unit is re-subscribed by another new resident in less than 90 days, then the Monthly Service Package will end on the Occupancy Date for that new resident.

Section 9. OTHER FEES, PERIODIC CHARGES, AND COSTS

9.1 Application Fee. You shall pay or have paid us an Application Fee, as indicated in Section 16, in connection with your application for residence at the Community. If the Agreement is rescinded or canceled prior to occupancy as described in Section 12.1, we will retain the Application Fee as a reasonable service charge, not to exceed the greater of \$1000.00 or two percent (2%) of the Entrance Fee.

9.2 Ancillary Services. During the term of this Agreement, you must pay us the periodic charges for any Ancillary Services (as described in Section 5) provided to you by us. The current periodic charges for Ancillary Services are attached in Schedule I. The charges for Ancillary Services are normally used by us to cover the expense of providing such Ancillary Services but we may use the Ancillary Services charges for any other purpose. We may revise the periodic charges for Ancillary Services that we provide from time to time, and such change shall take effect upon our giving you thirty (30) days' notice of such increase in accordance with the rules and regulations of the Department. The charges which are based on published rates for State or Federal assistance programs (for example, Medicare rates) shall be revised upon the effectiveness of changes to such rates. All Ancillary Services provided by us shall be billed on your monthly statement, and payment is due within five (5) days of your receipt of the monthly statement. Our acceptance of partial payment of the charges shall not constitute a waiver of the outstanding charges unless we agree to a waiver in writing. We may charge interest at a rate of one and one-half percent (1.5%) per month on any overdue amounts.

9.3 Other Services. Ancillary Services not provided by us and any other services that you arrange independently shall be billed directly to you, and we are not responsible for payment of or collecting payment for such services.

9.4 Refurbishing a Vacated Living Unit and Repairing Extraordinary Damage. Each time that you permanently vacate an Independent Living Unit or Assisted Living, irrespective of the length of time of occupancy, we will perform work to clean, refurbish, and restore that Living Unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. The reasonable costs and expenses of this work (the "Refurbishing Charges") are charged as follows:

9.4.1 If you first entered the Community in an Independent Living Unit and you then permanently transfer from that Independent Living Unit to an Assisted Living Unit, Assisted Living Unit, to a unit providing Memory Care Services, or to a Nursing Unit, we will cover any portion of the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.2 If you first entered the Community in an Independent Living Unit and you then permanently leave the Community from an Independent Living Unit, we will cover the Refurbishing Charges for work that is due to ordinary wear and tear. You will only be responsible to pay the portion of the Refurbishing Charges for work needed to repair any extraordinary damage to the Living Unit. By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit, or removing customized improvements. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident.

9.4.3 If your last residence at the Community is a Nursing Unit and you either permanently leave the Community from that unit or you pass away, we will cover the full Refurbishing Charges for the Nursing Unit.

9.4.4 If you transfer from one Independent Living Unit to another Independent Living Unit, or if you transfer from an Assisted Living Unit or from a unit providing Memory Care Services to any other Living Unit, or if you permanently leave the Community from an Assisted Living Unit or from a unit providing Memory Care Services, you are responsible to pay the full Refurbishing Charges.

9.5 Medical and Other Insurance. You must procure and maintain in force at your own cost the following insurance coverages:

9.5.1 You shall maintain, at your expense, one of the following coverages for health insurance: (a) the maximum coverage available to you under Medicare, Parts A, B & D and including a supplemental Medigap insurance policy; (b) a Medicare Part C/ Medicare Advantage Plan (including a Part D plan), or (c) Documented equivalent coverage, if submitted and accepted by us, if you are not eligible for Medicare or are insured under other adequate programs. Supplemental insurance is not provided by us.

9.5.2 You must also procure and maintain, at your own expense, insurance coverage against damage of, loss to, or theft of your personal property (contents) maintained at

the Community, including general liability coverage for personal liability and medical payments should a claim be made or suit brought against you for damages because of a bodily injury, including death, or property damage caused by you. Such insurance shall include liability coverage for damage caused to the Living Unit or other living units or common areas which arise out of your negligent or intentional acts or omissions. We shall be responsible for insuring the building structures, common areas and building components, the Living Unit and fixtures in the Living Unit provided by us but not including any of your personal property. You are not included nor considered as an additional insured or co-insured under our policies. We reserve all rights of recovery or subrogation for damages caused to our property.

9.6 Funeral Arrangements and Burial Expenses. Funeral arrangements and burial expenses are your responsibility. We will not make such arrangements or provide such services.

9.7 Non-Solicitation of Employees. We expend significant resources on the hiring, training and development of our employees. Recognizing this expenditure, during the Term of the Agreement, you agree not to employ any person currently employed by us, either directly or indirectly by hiring the services of any such person through a third party. You also agree not to employ any person formerly employed by us, either directly or indirectly by hiring the services of any such person through a third party, until two years have elapsed from the employee's last date of employment with us. You further agree not to solicit any person employed by us to terminate his or her employment in order to work for you directly or indirectly through a third party.

Section 10. FINANCIAL INABILITY TO PAY

It is our policy not to terminate a resident's occupancy for the resident's financial inability to pay provided that the resident is otherwise in compliance with the terms of such resident's Residence and Care Agreement. To the extent that it is financially feasible, we will assist residents who are unable to pay full Monthly Service Packages by providing financial assistance as described in this Section 10.

To insure that our charitable intentions are equitably allocated for the benefit of as many residents as possible, we require that, in the event that you claim to be unable to make full monthly payment by reason of financial inability, you must take any or all of the following actions, as directed by the Executive Director. We have the right, but not the obligation, to initiate financial assistance if we independently determine that you need financial assistance.

10.1 We require, in the event you claim to be unable to make full monthly payments by reason of financial inability, you must take any or all of the following actions, as directed by the Executive Director. To qualify for assistance, a resident must otherwise be in compliance with the terms of such resident's Residence and Care Agreement. Our exercise of any rights or remedies under Section 10 due to your failure to pay will not constitute a waiver of any of our other rights or remedies, including our right to terminate this Agreement.

10.2 If your sources of funds, including expenditures of principal and the guaranty, if any, are inadequate for you to make the payments required under this Agreement, you must file with the Executive Director, on appropriate forms provided by the Executive Director, a Statement of Financial Inability to Pay. As part of the Statement of Financial Inability, you must disclose your remaining available assets and income. The Executive Director will review your financial position to determine the existence of any outside assets, including any guaranty agreements, which may first be spent for your care.

10.3 If you have outside assets other than the Entrance Fee, the Executive Director will establish a Spending Plan for you to spend the outside assets and to obtain assistance from other available means. As part of the Spending Plan, you shall assign to us any health-related insurance benefits and any benefits under any governmental insurance or assistance program (including Medicare) that you receive, until the amount we have received equals the aggregate charges for the care and services that you have received, based upon the Community's standard rates. If you fail to cooperate with the Spending Plan for the outside assets, such failure may constitute just cause for termination of the Agreement due to non-payment of fees in accordance with Section 12.3 of this Agreement.

10.4 Upon completion of the Spending Plan, and when we have fully earned the Entrance Fee as described in Section 7.5 per each month of your occupancy, you may qualify for assistance from the resident benevolent care fund when established and to the extent that it is financially feasible. If you are approved for such assistance, the Executive Director shall inform you of the amount which the resident care fund will contribute to the monthly fees and the amount which you must contribute to the Monthly Service Package.

10.5 If requested by us, you will transfer to an alternate Living Unit at the Community if and when available.

10.6 You will provide periodic statements of financial condition and copies of income tax returns as the same may be requested from time to time by us. You will notify us of any and all assets acquired by you through any means thereafter, and you will assign or pay such property received to us in an amount equivalent to the total outstanding charges and fees, owed by you.

10.7 At present, we are not authorized to accept Medicaid for payment of Monthly Service Packages for any Living Units. If in the future we are able to accept Medicaid as a payment source, then you agree to also apply for Medicaid if you can qualify. When you are notified by the Executive Director approximately three months before the projected depletion of your remaining un-earned Entrance Fee, you agree to immediately apply for Medicaid if available. You also agree to execute any and all documents necessary to make and perfect such claims or rights.

Section 11. TRANSFERS

11.1 Temporary and Permanent Transfers. For purposes of this Agreement, a temporary transfer is a transfer of an anticipated finite duration. During a temporary transfer,

your permanent Living Unit shall remain available to you as long as you continue to pay the Monthly Service Package in accordance with Section 8.4. A permanent transfer is a transfer of indeterminate duration. During a permanent transfer, you will be requested to release the Living Unit. After a permanent transfer, if you are able to qualify to return to the Living Unit previously occupied at the Community or to a different, medically appropriate Living Unit at the Community, you shall have the right to occupy the Living Unit subject to the availability of such Living Unit, subject to our approval.

11.2 Transfer at the Election of Resident. You may elect to transfer, on a temporary or permanent basis, to an alternate Independent Living Unit, an Assisted Living Unit, to a unit providing Memory Care Services, Nursing Unit or an Off-Site Facility by giving notice to us. All transfers within the Community shall be subject to the availability of the elected alternate Living Unit and subject to our approval which may include a financial review.

11.3 Transfer at the Election of WINDSOR RUN - Non-Emergency. All decisions regarding a transfer of any resident, except for emergency transfers, shall be made by a committee consisting of the Executive Director (or his or her designee) and the Medical Director (or his or her designee) (collectively referred to as the “Committee”). The Committee will consult with you or your legal representative. If you have a Guarantor or ombudsman, such person also will be consulted if you so request. We attempt to interact with you or your representative with the goal of achieving a consensus on the need for a transfer although a consensus is not always achieved.

You will not be transferred, temporarily or permanently, to a different Living Unit unless (1) in the opinion of the Committee, such transfer is deemed appropriate for the protection of your health and/or safety or the general and/or economic welfare of other residents, (2) in the opinion of the Committee, the transfer is deemed necessary due to financial inability to pay the Monthly Service Package, or (3) in the case of a permanent transfer to an Off-Site Facility that provides treatment for mental disorders, the need for such transfer is certified by two physicians or one physician and one psychologist. If you are transferring due to event (1) or (3) listed above and the Living Unit is occupied by a Joint Resident, the remaining Joint Resident may continue to occupy the Living Unit.

The Committee shall give you thirty (30) days advance written notice of the proposed transfer. You or your representative shall notify us of any objection to the permanent transfer within ten (10) days of receipt of the notice. If you or your representative do not consent to the transfer, the Committee may, in its discretion and in lieu of a transfer, require Ancillary Services be provided to you if a higher level of care is deemed appropriate in the opinion of the Committee for the protection of your health and safety or the welfare of other residents. If you or your representative do not consent to either the transfer or the provision of Ancillary Services, we may consider such refusal to constitute just cause to terminate the Agreement in accordance with Section 12.3 hereof.

11.4 Transfer at the Election of WINDSOR RUN - Emergency. If your health and safety or the health and safety of other residents require immediate action, the Executive Director

with the approval, if reasonably obtainable, of the Medical Director, may transfer you from your current Living Unit to a different Living Unit or an Off-Site Facility, on a temporary or permanent basis. Emergency circumstances arise when there is a danger of immediate, irreparable harm to your health and safety or to the health and safety of other people at the Community. In the event that you are required to be transferred to Continuing Care at Windsor Run during a period that you are suffering from legal incompetency, you agree to be bound by the terms of the Agreement in effect at the time of such transfer.

11.5 Use of Living Unit. In the event of a temporary transfer, whether at your election or at our election, your prior Living Unit will remain available to you as long as you continue to pay the Monthly Service Package for the permanent Living Unit in accordance with Section 8.4 hereof.

In the event of a permanent transfer, whether at your election or our election, you or your representative shall sign Living Unit Release Transfer form unless you are one of Joint Residents and the other Joint Resident remains in the Living Unit. After receipt of notice of permanent transfer, you shall take all reasonable steps to vacate the Living Unit before the date set for the transfer. You or your representative shall then be responsible for vacating the Living Unit and removing all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the Departure Date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a transfer by us, within sixty (60) days from the notice of transfer, we shall have the right to store your possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 12. TERMINATION

12.1 Termination Within Rescission Period or Prior to Occupancy. Either party may terminate the Agreement in the following circumstances:

12.1.1 You may rescind this Agreement within thirty (30) days of the later of the date you received the Windsor Run Disclosure Statement or the date you executed this Agreement (you are not required to move into the Living Unit before the expiration of the later thirty (30) day period). However, should you elect to occupy the Living Unit prior to the expiration of the thirty (30) day rescission period, such occupancy shall not be considered a waiver of the rescission period;

12.1.2 Your Agreement will be automatically canceled if you die before occupying the Living Unit or are precluded from occupying the Living Unit due to illness, injury, or incapacity; or

12.1.3 We elect to terminate the Agreement if it is determined that you are ineligible for entrance into the Community.

If the Agreement is rescinded or terminated as provided in this Section 12.1, you shall receive a refund of the Entrance Fee as described in Section 7.4. You will not receive a refund of any costs specifically incurred by us at your request as set forth in a separate written addendum, signed by both parties. You shall not receive a refund of any Monthly Service Package related to your actual occupancy of the Living Unit.

12.2 Termination by Resident. After occupancy and after the expiration of the rescission period described in Section 12.1.1, you may terminate this Agreement at any time and for any reason by giving thirty (30) days' written notice to us of your intention to terminate. The notice may be given by you or by the person who provided the transfer of property or funds for your care in which case you are bound by that decision. The Agreement will also terminate upon the death of a single Resident or all Joint Residents in the Living Unit. If one Joint Resident dies and the other Joint Resident remains in the Living Unit, the Agreement shall not be terminated.

12.3 Termination by WINDSOR RUN. Our decision to terminate this Agreement shall be made by the Executive Director of the Community. We may not terminate this Agreement without good cause. "Good cause" is defined as: (i) non-payment of Fees including non-payment of the Entrance Fee; (ii) a good faith determination in writing, signed by the Executive Director and Medical Director of the Community, that you are a danger to yourself or others while remaining in the Community; (iii) repeated conduct by you that interferes with other residents' quiet enjoyment of the Community; (iv) persistent refusal to comply with reasonable written rules and regulations of the Community; (v) a material misrepresentation made intentionally or recklessly by you in your application for residency, or related materials, regarding information which, if accurately provided, would have resulted in either your failure to qualify for residency or a material increase in the cost of providing care and service to you under the Agreement; or (vi) your material breach of the terms and conditions of this Agreement.

Except for termination due to non-payment of fees, we will give you sixty (60) days written notice of the termination and the reason for termination. In the event of non-payment of fees, we will give you written notice that you are in default under this Agreement for non-payment of fees. We may charge you interest on the overdue amount of one and one-half percent (1 ½ %) per month. If you fail to make full payment of all outstanding fees and charges within thirty (30) days of receipt of the notice, we may, at our election, terminate the Agreement upon an additional thirty (30) days' notice and offset the overdue fees and charges against the Un-Earned Refund Amount, if any. Our acceptance of partial payment of the fees does not constitute a waiver of the outstanding fees and charges unless we agree to a waiver in writing.

12.4 Vacating the Living Unit. Upon termination of the Agreement either at your election, our election, or due to your death, you or your representative, shall sign and give to us Unit Release Form advising of your Departure Date. You or your representative shall then be responsible to vacate the Living Unit and to remove all personal possessions from the Living Unit. We shall have the right to show the Living Unit to interested applicants as of the date indicated in the Unit Release Form.

If you fail to vacate the Living Unit by the indicated Departure Date or, in the event of a termination by us within the required time for the notice of termination as provided in Section 12.3, we shall have the right to store your possessions in a general storage area at the Community or to arrange for storage in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Section 13. RIGHTS OF WINDSOR RUN

13.1 Community Rules and Regulations. We shall have the right to promulgate reasonable rules and regulations governing the conduct of the residents and to thereafter revise such rules and regulations. You agree and acknowledge that you have received such rules and regulations including those in our current Resident Handbook (as they may be further amended). You will enjoy the fullest measure of independence consistent with the accommodation in which you live, subject, however, to the limitations of our reasonable rules and regulations now or hereafter adopted for the conduct and care of all residents. You hereby agree to abide by all such rules and regulations (as in effect from time to time), and generally to conduct yourself in such a manner as to promote the peace and harmony of the Community.

13.2 Access to Living Units at the Community. You acknowledge and accept our ability and authority to enter the Living Unit in order to carry out the purpose and intent of this Agreement and you hereby authorize such entry. Such entry includes (1) performance of authorized housekeeping duties; (2) response to medical emergencies; (3) responses to fire protection systems; (4) entry by authorized personnel in the event that you are reported missing or have not responded to a call; (5) scheduled maintenance activities; (6) to fix, repair, maintain, or update building elements in common which would include plumbing, drywall, electrical system, HVAC, or similar and (7) enforcement of the Community's policies and procedures. We acknowledge and respect your right to privacy and agree to limit uninvited entry into the Living Unit at the Community to the situations set forth in this paragraph.

13.3 Property Rights. You acknowledge that, except as expressly set forth in this Agreement, the rights and privileges granted by this Agreement do not include any right, title, lease, or any other interest in any part of the personal property or real property - including land, buildings and improvements - owned, leased or administered by us. Your rights are limited to the rights provided in this Agreement for services and the occupancy of the Living Units. Except for your right to occupy the Living Unit, any rights, privileges or benefits under this Agreement shall be subordinate to any mortgage or deed of trust or leasehold interest on any of the premises or interest in our real and personal property, to all amendments, modifications, replacement or refunding, of any such mortgage or deed of trust or leasehold interest, and to such reasonable rules and regulations governing the use of the property as shall from time to time be imposed by us. You hereby agree, upon our request, to execute and deliver any document which is required to this effect by us, or by the holder of such mortgage or deed of trust or leasehold interest to effect such subordination or to evidence the same, and appoint WINDSOR RUN as your attorney-in-fact to accomplish that purpose.

13.4 Limitation of Liability. You agree that we, along with our sole member/owner, any subsidiaries, our management company, and all of their members, directors, officers, and employees, are not responsible for the loss of any of your personal property due to theft or any other cause. Liability for damage to or loss of your personal property shall be limited to damage or loss caused by negligent acts or omissions of our employees acting within the scope of their employment.

13.5 Unauthorized Transfers of Property. The financial information which you submitted is a material aspect upon which we reasonably relied in determining your qualifications for becoming a resident of the Community. Being able to meet the financial criteria to become a resident helps assure the financial stability of this Community. In determining financial criteria for residency, we consider the applicant's reported income and assets in light of the Community's current and future commitments and obligations. Furthermore, we are committed to take every reasonable step to assist residents who have depleted those assets through normal living expenditures so that he or she may continue to remain as a resident of the Community. However, in order to protect us from a situation wherein a resident divests him/herself of those assets for the purpose of qualifying for assistance or reduction of Monthly Service Packages, you hereby agree not to divest yourself of, to sell, or transfer any assets or property interests (excluding expenditures for your normal living expenses) that reduces the assets that you or your representative disclosed as available assets for you on admission, without having first obtained our written consent.

13.6 Religious Affiliation and Sponsorship. Windsor Run is a for-profit limited liability company. Windsor Run is not affiliated with any religious organization.

13.7 Non-Smoking Policy. You agree to abide by our prohibition against smoking including vaping or e-smoking in the Living Unit, including balconies or patios, and in common areas. You guests, or contractors are also prohibited from smoking, including vaping or e-smoking, in the Living Unit or in the common areas of the Community. You further understand that we may consider your failure to abide by the non-smoking policy as cause to terminate the Residence and Care Agreement.

Section 14. MISCELLANEOUS PROVISIONS

14.1 Documents Incorporated by Reference. This Agreement includes the Arbitration Agreement, Nursing Arbitration Agreement, Priority List Application for residence, the Financial Information Form, the Resident Profile, including Resident's medical records, if any, a Key Receipt form, and the Refund Form. This Agreement may include a Promissory Note, a Guaranty Agreement, Catered Living Addendum, a Power of Attorney for property disposition, an Advance Directive, Appointment of Health Care Agent, or Living Will, and your medical insurance documentation, all of which documents are incorporated by reference and made a part of this Agreement (see Schedule II attached hereto). You acknowledge that we will rely on your statements in these documents and you warrant that all statements are true and complete to the best of your knowledge, information and belief.

14.2 Rules of Construction. In this Agreement, the masculine, feminine and neuter genders shall be construed to be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Similarly, the singular and plural shall be interchangeable and shall include one another to the extent that such context is necessary to provide a logical or meaningful construction of the text. Section captions are for ease of reference only.

14.3 Non-waiver. The failure of any party in any one or more instances to insist on the strict performance, observance or compliance by the other party with any of the terms or provisions of this Agreement, shall not be a continuing waiver thereof nor construed to be a waiver or relinquishment by a party of its rights to insist upon strict compliance by the other party with all of the terms and provisions of this Agreement.

14.4 Entire Agreement. This Agreement, the documents referenced in Section 14.1, and the terms of the Disclosure Statement in effect for the Community, represents the entire agreement between us, you and Guarantor, if any, and supersedes all prior Agreements and negotiations. Except as contained herein or in any contemporaneous, written agreements, there are no promises or agreements between the parties.

14.5 Amendment. This Agreement shall be amended only in writing, signed by you and us.

14.6 Disclosure Statement. You hereby acknowledge that you received the latest disclosure statement of Windsor Run prior to signing this Agreement or before transferring any money to Windsor Run, whichever is earlier, and that you have reviewed such statement.

14.7 Severability. The invalidity or unenforceability of any provision of this Agreement or the application of any such provision, shall not affect or impair any other provisions or the validity or enforceability of the remainder of this Agreement, or any application of any other provision of the remainder of this Agreement; however, you, to the extent provided by law, retain the right to rescind this Agreement if any provision is in violation of the laws of the State of North Carolina, as amended from time to time.

14.8 Paragraph Headings. Paragraph headings are added solely to aid in the review of this Agreement and are not to be construed to affect the interpretation of this Agreement.

14.9 Dispute Resolution.

14.9.1 Simultaneously with the signing of this Agreement, the parties shall enter into an Arbitration Agreement, which is attached hereto and incorporated herein by reference. Pursuant to the Arbitration Agreement, all parties agree that all Claims other than Excluded Claims (as such terms are defined in the Arbitration Agreement) shall be resolved through binding, individual arbitration in accordance with the terms of the Arbitration Agreement; provided that Claims involving or asserted by Joint Residents may be adjudicated in the same arbitration proceeding. The parties further agree that venue for the adjudication of any Excluded Claims shall be in Mecklenburg County, North Carolina.

14.9.2 Notwithstanding the foregoing, if you occupy a Nursing Unit (whether temporarily or permanently), you (or your legal representative, individually and on your behalf) may elect to enter into a separate Nursing Arbitration Agreement with respect to claims arising out of or related to the Nursing Facility Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit, but entering into the Nursing Arbitration Agreement will not be a condition of admission to or a requirement for continuing to receive care in the Nursing Unit. The Nursing Arbitration Agreement, if entered into, will be incorporated herein by reference. If you do not enter into the Nursing Arbitration Agreement (or if the Nursing Arbitration Agreement is not entered into on your behalf), venue for any action for the enforcement, construction, termination of, or any action arising out of or related to the Nursing Contract Addendum to the Residence and Care Agreement or the care you receive while residing in the Nursing Unit shall be in Mecklenburg County, North Carolina.

14.9.3 All parties agree that the filing of any arbitration demand pursuant to the Arbitration Agreement or the Nursing Arbitration Agreement or of any action not subject to either arbitration agreement may include a request for an expedited hearing.

14.10 Assignment. In the event that we or any of our successors or assigns shall give Resident notice that any or all of our rights, duties and obligations have been assigned to a new person or entity certified as a continuing care provider under the laws of North Carolina by the North Carolina Department of Insurance to provide services to residents of the Community, you agree to recognize such new person or entity as the provider under this Agreement, to the extent of such assignment.

14.11 Electronic Signatures & Counter-Parts. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

14.12 Survival. The provisions of Sections 7, 8, 9, 12, 13, 14, and 15 shall survive any termination of this Agreement. Additionally, any obligation, or liability of either party under this Agreement or under any ancillary agreement executed in connection herewith, or any subsequent addenda hereto that by its nature and context are intended to survive the termination of the Agreement, shall survive the termination of this Agreement.

Section 15. DEFINITIONS

Whenever the following words or phrases appear in this Agreement beginning with a capital letter, these definitions shall apply:

Act: The North Carolina Continuing Care Retirement Community Regulation and Financial Disclosure Act, as the same shall be amended and in effect from time to time hereunder.

Agreement: This document, including all exhibits, supplements, amendments or addenda, as signed by us, you, and Guarantor, if any.

Ancillary Services: Those services specified in Section 5 of this Agreement which either we provide or are provided by approved outside providers, the cost of which is not included in the Monthly Service Package. Periodic charges for Ancillary Services may be changed from time to time by us as specified in Section 9.2 or by the outside providers.

Application Fee: The fee payable when you submit an application for residency at the Community or for a position on the futures or standby list.

Assisted Living Unit: Accommodations for residents who need a higher level of care and more daily assistance than is available in an Independent Living Unit, but who need a lesser degree of medical care, personal care and service than is provided in the Nursing Units.

Catered Living: Catered Living services are offered only to those residents who occupy designated Independent Living Units and sign a Catered Living Addendum which will include further detail on services. In general, Catered Living offers residents supportive services including supervision, cuing and limited assistance with the activities of daily living, medication reminders; resident Services Coordinator services, light housekeeping care, planned group activities and a meal plan. Catered living services will be offered on a temporary basis.

Community: The physical site and structures which we operate as a retirement community in Matthews, North Carolina.

Continuing Care at Windsor Run: The Community building in which the Assisted Living Units, units providing Memory Care Services, and Nursing Units will be situated. The Continuing Care facility is licensed for assisted living, and memory care and long-term care nursing, but is not licensed to provide skilled nursing, long-term care nursing, chronic or acute hospital care or other institutional care. Such services, if required by you, are not services covered under the scope of this Agreement.

Covered Services: Those services specified in Section 4 of this Agreement which we make available for the applicable Monthly Service Package.

Departure Date: The date on which you or, in the event of your death, your personal representative or family, vacates the Living Unit after providing us with a signed Unit Release Form, removing all possessions from such Living Unit, and turning in the Living Unit keys. If you or your personal representative or family do not timely provide us with a signed Unit Release Form, remove the possessions, or turn in the keys, the Departure Date shall be the date on which we remove all possessions from the Living Unit and places them in a general storage area at the Community or in a commercial storage facility, all at your expense, until disposition thereof can be made. We assume no responsibility for your stored possessions.

Entrance Fee: The Entrance Fee required to be paid to us on or before the Occupancy Date as set forth in Section 7.1 of this Agreement, as may be modified, which Entrance Fee is generally paid in a series of deposits.

Executive Director: The chief administrative officer of the Community appointed as such by WINDSOR RUN.

Guarantor: Any person or persons who guarantee your obligations to pay the Monthly Service Package or any other fees or periodic charges payable by you under the terms of this Agreement.

Independent Living Unit: Living accommodations at the Community for a resident who is able to live independently within our guidelines.

Joint Residents: Two or more residents who enter into the same Residence and Care Agreement.

Living Unit: An Independent Living Unit, Assisted Living Unit, a unit providing Memory Care Services, or Nursing Unit.

Medical Director: A licensed physician whom we officially designate as the person responsible for the direction and control of medical services offered at the Community.

Memory Care Services: Services or programming for a resident who is unable to perform normal functions necessary to live in an Independent Living Unit and needs programming for dementia or similar memory care disorders but who needs a lesser degree of medical care, personal care and service than is provided in a Nursing Unit.

Monthly Meal Credit Plan: The standard meal plan for residents in Independent Living Units. Each Resident has a monthly meal credit which allows purchase of one standard meal per day in the calendar month with a declining monetary balance as the credit is used. In addition to offering premium meals, the community will always have a selection of meal offerings at the standard daily credit amount. You may use the meal credit on a daily basis or as otherwise desired through the calendar month until the allowance is exhausted for that calendar month. The meal credit may also be used by you for guest meals during the calendar month. At the beginning of each calendar month, you receive a new credit for that new month. If you do not use the all of the meal credit within the calendar month, any unused portion is forfeited, does not carry over to the next month, and no credit will be due to you.

Monthly Service Package: The fee payable with respect to a particular Living Unit as specified in Section 8.1 hereof, which fee includes the Covered Services specified in Section 4 hereof. Monthly Service Packages may be adjusted as provided in Section 8.3 hereof.

Non-Occupancy Credit: You may receive a Non-Occupancy Credit to reduce your Monthly Service Package when you are, or if one of Joint Residents, then the Joint Residents are,

transferred temporarily to a different Living Unit. You may receive a Non-Occupancy Credit upon request in other circumstances in the sole discretion of the Executive Director. The current Non-Occupancy Credit is provided on Schedule I, Fee Schedule. Adjustments to and policies concerning the Non-Occupancy Credit are made by us in our sole discretion. Credit is given based on the required consecutive days of absence.

Notice: For the purposes of this Agreement, notice shall be deemed to have been given to you when deposited in your community mailbox or personally delivered to you, and given to WINDSOR RUN when either personally delivered or delivered with return receipt to the office of the Executive Director at the Community and to General Counsel at the corporate office situated at 701 Maiden Choice Lane, Baltimore, Maryland 21228. If you have not yet taken possession of the Living Unit, then notice to you shall be given by first-class mail, postage pre-paid, to your last known address and such notice shall be deemed to be effective on the third day following such mailing. If you have been transferred to an Off-Site Facility, notice shall be given by first-class mail, postage pre-paid, to you at such Off-Site Facility and shall be deemed to be effective on the third day following such mailing.

Nursing Unit: Accommodations for residents who are unable to perform those functions necessary to live in an Independent Living Unit or an Assisted Living Unit or unit providing Memory Care Services and who need the degree of medical care, personal care and service that is provided in the Nursing Center.

Occupancy Date: The date on which you are authorized by WINDSOR RUN to take possession of a Living Unit. On this date, you are allowed access to move belongings or to personally inhabit the Living Unit pursuant to this Agreement. Delivery of keys to you shall be deemed authorization to take possession.

Off-Site Facility: Any housing or health care facility not located within the Community and which is neither owned nor operated by WINDSOR RUN.

Refund Form: An agreement signed by you, when accepted by us, designating to whom the Un-earned Refund Amount shall be made upon termination of this Agreement.

Refurbishing Charges: The reasonable costs and expenses of work performed to clean, refurbish, and restore that Living Unit after a resident permanently vacates the unit. This work will generally include, but is not limited to, cleaning or replacement of carpeting and flooring, spackling and/or painting of walls, removing any customized improvements, replacement of fixtures, or any other appropriate repairs repairing any extraordinary damage, in our sole discretion, to bring the Living Unit back to a like-new condition. It is intended that the Living Unit shall be restored to the condition that it was in before it was occupied by the recent resident. The determination as to the extent of refurbishment shall be established by the Executive Director.

Repairing Extraordinary Damage: By way of example, such extraordinary damage may include, but is not limited to, material damage to the walls, structures, or fixtures, material

damage caused by pets, or material odors, stains, or damage due to smoking in the Living Unit. You must also pay the reasonable costs and expenses of removing any customized improvements that you made to the Living Unit unless we specifically agree in writing to accept those improvements for re-subscription to a new resident. The extent of refurbishing is determined by WINDSOR RUN, in our sole discretion to put the Living Unit into like-new condition.

Reserved Parking Space: For residents in Independent Living, Windsor Run will provide one designated parking space per Independent Living Unit for your personal vehicle. Your right to use the reserved parking space will terminate when you move to a higher level of care or when the Agreement terminates for any reason. An additional parking space may be designated for another personal vehicle at an additional fee subject to availability.

Resident/ You: Each person designated by name in the first paragraph of this Agreement, who is a party to this Agreement.

Spending Plan: A plan set forth by the Executive Director of the Community in the event that you are financially unable to pay your Monthly Service Packages.

Un-Earned Refund Amount: The difference between the total Entrance Fee paid by you and the amount credited to/ earned by Windsor Run during your residency per Section 7.5 of this Agreement. For purposes of any Refund, the Un-Earned Refund Amount will be calculated as of the month of your Departure Date from the Community (even if such final month is only a partial month).

Weekly Light Housekeeping: Residents in Independent Living Units may request housekeeping for an ancillary fee. For Assisted Living Units and units providing Memory Care Services, as part of the Covered Services, Windsor Run will perform weekly light housekeeping which generally includes vacuuming carpet/ floors, light dusting and wiping down bathrooms and kitchenette (if available). The extent of such services and the weekly schedule are determined by us and may be revised from time to time with appropriate notice. You are responsible for day-to-day housekeeping to maintain your Living Unit in a sanitary and orderly condition. Additional housekeeping services, including annual or seasonal deep cleaning services, are available upon request for an additional fee.

Windsor Run (We/ Us): Windsor Run, LLC.

Schedule I
Windsor Run - Periodic Charges for Ancillary Services

Service	2026 Rate
Non-Occupancy (Independent Living) Credit for Absences per resident, per day (starting on 31st consecutive night) Note: the Non-Occupancy Credit does not apply to residents in Assisted Living, Memory Care or Nursing Care.	\$12.00
Additional Mailbox Key	\$15.00
Additional or replacement Living Unit Badge	\$25.00
Badge for Resident Family & Friends Program	\$25.00
First Car Reserved Parking Space (Ind. Living) (resident registered car only)	No. Add. Fee
Second Car Reserved Parking Space (Monthly if available) (resident registered car only)	\$75.00
Reserved Carport parking (Monthly if available) (resident registered car only)	\$50.00
Storage Bin (Monthly if available)	\$15.00
Maintenance Service per hour	\$56.00
Grounds Service per hour	\$56.00
Housekeeping per hour	\$50.00
Computer Services (first 30-minutes) Each additional 15 minutes	\$50.00 \$18.00
Catered Living Care Fee Non-Care Second Person Fee	\$7,900.00 \$500.00
Emergency Pendant (1-time fee) Emergency Pendant Monthly Fee Emergency Pendant Replacement	\$50.00 \$25.00 \$35.00
Wheelchair Escorts (one way)	\$10.00
Wheelchair Escorts (round trip)	\$20.00
Guest Suite (Per Night)	\$130.00
Transportation	
Premium TV Service	No add Fee
Personal Training 30 minute	\$20.00
Personal Training 30 minute – in Living Unit	\$25.00
Personal Training five 30 minute sessions package Personal Training ten, 30 minute sessions package	\$85.00 \$150.00
Specialty Class (charged monthly)	\$16.00

Service	2026 Rate
Erickson Balance Class	\$50.00
Virtual Fitness Programs (digital)	Included
Specialty Health Club Group Fitness Classes	Add Fees Apply
Meal Delivery	\$7.00
Sales Tax	When Applicable

Ancillary fees in continuing care are available on request.

Schedule II

Documents Incorporated

- A. Arbitration Agreement / Nursing Arbitration Agreement
- B. Priority List Application
- C. Financial Information Form
- D. Resident Profile
- E. Refund Form
- F. Club Membership Application
- G. Key Receipt Form
- H. Promissory Note and Allonge to Promissory Note
- I. Custom Interiors Agreement (if any)
- J. Guaranty Agreement (if any)
- K. Unit Release forms
- L. Power of Attorney for property disposition (if any)
- M. Advance Directive, Appointment of Health Care Agent, or Living Will (if any)
- N. Resident's medical insurance documentation (if any)

A. Arbitration Agreement

WINDSOR RUN

ARBITRATION AGREEMENT

This Arbitration Agreement (“Agreement”) is entered into between Windsor Run, LLC (the “**Provider**”) and [**Resident (Or Resident’s Representative) Name(s)**]. The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the “**Parties**”). This Agreement is an exhibit to and part of the Residence and Care Agreement (the “**Care Agreement**”) governing the services rendered by the Provider to the Resident at Windsor Run (the “**Community**”).

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the “**Arbitrator**”) decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator’s decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration.**

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements (“**Claims**”) between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident’s residency at the Community, the Resident’s admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties’ execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

- B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be “**Excluded Claims**” and shall not subject to this Agreement. If the Resident transfers to a Nursing Unit (as defined in the Care Agreement) and enters into the Nursing Facility Addendum to the Care Agreement (the “**Nursing Addendum**”) or the Nursing Addendum is entered into on the Resident’s behalf, Excluded Claims shall also include any claims arising out of or related to the Nursing Addendum and/or the care the Resident receives while residing in the Nursing Unit.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

- A. The term “**Provider Party**” includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.
- B. The term “**Resident Party**” includes the Resident and each of the Resident’s legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.
- C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. **Governing Law and Venue.**

- A. **Federal Arbitration Act (“FAA”) Applies.** The Parties agree that the Community’s services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.
- B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.
- C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.
- D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. **Arbitration Procedures.**

- A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand (“**Demand**”) to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the “**Claim Deadline**”).

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident’s legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

- B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which

the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed to arbitration; provided, however, that neither Party may so terminate the mediation process prior to the occurrence of at least one (1) mediation session with the mediator.

- C. **Arbitration Administration.** After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the “**Arbitration Service**”) to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.
- D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.
- E. **Arbitrator’s Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.

- F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.
- G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked “confidential,” must state the Arbitrator’s findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.
- H. **Appeals.** The Parties agree that the Arbitrator’s decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.
- I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

- A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.
- B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.
- C. **Counsel and Attorneys’ Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys’ fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this

Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality.** All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ I have read and understand this Arbitration Agreement.

_____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ I understand that, in the future, I may need or choose to move to another location or level of care within the Community one or more times and that I may be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with such a move. I acknowledge and agree that this Agreement will remain in effect following each move within the Community, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration

agreement on my behalf (including a separate arbitration agreement covering those Excluded Claims relating to or arising out of the Nursing Addendum). I understand that this Agreement will remain in effect even if it is not reaffirmed.

_____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement shall be resolved through binding, individual arbitration.**

_____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____

Date: _____

Resident Signature: _____

Print Name: _____

Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident’s behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident’s Legal Representative
Signature (if applicable): _____

Print Name: _____

Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

WINDSOR RUN

NURSING ARBITRATION AGREEMENT

This Nursing Arbitration Agreement (“Agreement”) is entered into between Windsor Run, LLC (the “**Provider**”) and [**Resident (Or Resident’s Representative) Name(s)**]. The Agreement binds and benefits the Provider, the Resident, and the other Provider Parties and Resident Parties, as defined in Section 3 below (the “**Parties**”). This Agreement is an exhibit to and part of the Residence and Care Agreement (the “**Care Agreement**”) governing the services rendered by the Provider to the Resident at Windsor Run (the “**Community**”).

1. **Binding Arbitration.** Arbitration can provide a faster and more efficient way of resolving disputes or controversies than going to court. It can also promote more amicable dispute resolution than a court proceeding. In an arbitration, rather than a jury or a judge deciding the outcome of the dispute in a public courtroom, a neutral third-party arbitrator (the “**Arbitrator**”) decides the outcome after a confidential hearing including the Parties and/or their attorneys. The Arbitrator’s decision is binding and, except in limited circumstances described in Section 5(H) below, cannot be appealed.

2. **Claims Subject to Arbitration.**

A. **Claims.** The Parties hereby agree that, other than **Excluded Claims** (as defined in Section 2(B) below), this Agreement applies to any and all disputes and disagreements (“**Claims**”) between any Resident Party and any Provider Party that arise out of or in any way relate to the Care Agreement, the Resident’s residency at the Community, the Resident’s admission to and stay at the Community (including any Claims arising out of or relating to pre-admission communications and processes), and the provision of services to the Resident pursuant to or in connection with the Care Agreement and any amendments, exhibits, or addenda thereto that may be made a part of the Care Agreement from time to time, including such addenda or additional agreements signed by a Resident Party in relation to any transfer of the Resident (whether temporary or permanent) from one place of residence and/or level of care at the Community to another. Claims include, but are not limited to, any disputes or causes of action arising out of or relating to admission, care, treatment, or diagnoses; claims related to injury or death, including from negligence or intentional tort; claims related to property damage or premises liability; claims seeking equitable relief or specific performance; statutory causes of action; medical malpractice; questions as to whether any medical services rendered were unnecessary or unauthorized or were improperly, negligently, or incompetently rendered; breach of the Care Agreement; claims for declaratory relief; and questions about the interpretation, validity, construction, and enforceability of this Agreement and the Care Agreement. The Parties agree to resolve all such Claims through binding arbitration, at the election of any Party bringing or defending a Claim, whether the conduct or events giving rise to the Claim occurred prior to or after the Parties’ execution of this Agreement or the Care Agreement.

The Parties acknowledge and agree that, for all Claims subject to arbitration under this Agreement, they are waiving their constitutional right to trial by jury and/or the right to bring or participate in a class action. Any such Claims will be resolved exclusively through binding individual arbitration.

- B. **Excluded Claims.** This Agreement applies only to disputes and disagreements between the Resident and the Community and does not preclude or restrict any governmental oversight, investigation, or enforcement action. In addition, the Parties acknowledge and agree that claims involving unlawful detainer or involuntary discharge or transfer and claims eligible for small claims court proceedings can often be handled more quickly and efficiently without arbitration. Accordingly, the Parties hereby agree that (1) claims asserting unlawful detainer or seeking to enforce or challenge the involuntary discharge or transfer of the Resident from the Community, each of which will remain subject to any applicable state procedures; and (2) claims eligible (in the aggregate) for resolution in small claims court shall be “**Excluded Claims**” and shall not subject to this Agreement.

3. **Parties to Whom This Agreement Applies.** This Agreement and the definitions in this Section 3 will be interpreted as broadly as possible so as to bind and benefit any person who asserts any Claim or against whom a Claim is asserted. The Parties intend to allow any person alleged to be liable for any actions or inactions of the Community or the Resident or related to any care provided to the Resident to demand arbitration pursuant to this Agreement.

- A. The term “**Provider Party**” includes (a) the Community, (b) the Provider, (c) any management or administrative services company engaged by the Provider, (d) any party holding an ownership interest in the real property or buildings on or at which the community is located and operated, and (e) the respective governing bodies, officers, directors, owners, members, shareholders, administrators, managers, employees, contractors, agents, parent companies, subsidiaries, or affiliates of the parties named in subsections (a) through (d), and each of their successors, heirs, and assigns.
- B. The term “**Resident Party**” includes the Resident and each of the Resident’s legally designated representatives, powers of attorney, guardians, attorneys-in-fact, agents, sponsors, or any other persons asserting a Claim, including any spouse, child, parent, executor, administrator, personal representative, heir, or survivor, as well as anyone entitled to bring a wrongful death claim relating to the Resident.
- C. The Resident Parties and Provider Parties are intended third-party beneficiaries of this Agreement.

4. **Governing Law and Venue.**

- A. **Federal Arbitration Act (“FAA”) Applies.** The Parties agree that the Community’s services and operations, the Care Agreement, and this Agreement involve interstate commerce. Thus, this Agreement is governed by the FAA, which

preempts any state arbitration law or other state laws with respect to arbitration procedure and the enforceability of this Agreement.

- B. **Substantive Laws.** Except for Claims arising out of or relating to the validity and enforceability of this Agreement and the arbitration process it creates, the Arbitrator shall apply the substantive laws of the state where the Community is located, which would have applied had the Claims been brought in court, including (but not limited to) laws with respect to applicable limitation periods and any caps on punitive or other damages.
- C. **Conflict of Laws.** Where the substantive state law conflicts with the FAA, the FAA, along with federal court decisions interpreting the FAA, shall control. The Parties stipulate that the FAA shall preempt any inconsistent state law and shall not be reverse preempted.
- D. **Venue.** Unless otherwise agreed by the Parties, the arbitration will take place in the county in which the Community is located.

5. **Arbitration Procedures.**

- A. **Arbitration Demand.** A mediation and/or subsequent arbitration is initiated by sending a written demand (“**Demand**”) to the other Party by certified mail or commercial overnight delivery service (e.g., FedEx or UPS.). The Demand must identify the issue(s) in dispute and the amount of damages and/or other relief claimed. All Claims based in whole or in part on the same incidents or circumstances must be included in the Demand or they will be deemed waived upon the conclusion of the arbitration. A Claim is barred if not asserted in a Demand within the limitation period prescribed for that type of claim by applicable law (the “**Claim Deadline**”).

For any Demand issued to a Resident Party, the Demand must be sent by certified mail or commercial overnight delivery service to the Resident, with a copy to the Resident’s legal representative then on file at the Community, if applicable. For any Demand issued to a Provider Party, the Demand must be sent by certified mail or commercial overnight delivery service to General Counsel at the corporate office located at 701 Maiden Choice Lane, Baltimore, Maryland 21228.

- B. **Mediation.** The Parties agree that, prior to initiating arbitration, the Parties will first attempt to resolve any Claims in good faith through a mediation conducted by a neutral mediator selected by mutual agreement of the Parties or, if the Parties cannot agree on a mediator within thirty (30) days of the issuance of a Demand, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the mediator. The mediation shall commence within sixty (60) days following the selection of the mediator unless otherwise agreed to in writing by the Parties and may be ended by either Party to the dispute upon notice to the other Party that it desires to terminate the mediation and proceed to arbitration; provided, however, that neither Party may so terminate the mediation

process prior to the occurrence of at least one (1) mediation session with the mediator.

- C. **Arbitration Administration.** After a proper Demand is made and a Party provides notice to the other Party that it desires to terminate the mediation and proceed to arbitration, the Parties will work cooperatively to select a commercial arbitration service (the “**Arbitration Service**”) to administer the arbitration process. If the Parties cannot agree upon an Arbitration Service within thirty (30) days of conclusion of a mediation, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitration Service (or, alternatively, an arbitrator who will conduct the arbitration without the assistance of an Arbitration Service). The court will not consider the validity or enforceability of the Agreement or the merits of the Demand. The Parties agree that the arbitration will be conducted in accordance with the rules of the selected Arbitration Service then in place (or the rules adopted by an arbitrator acting without the assistance of an Arbitration Service). The Party that issued the Demand shall initiate arbitration with the Arbitration Service by the Claim Deadline, which will be tolled for the period between the date of the original Demand for mediation through the conclusion of the mediation.
- D. **Selection of Arbitrator.** The Parties will work cooperatively to select a neutral Arbitrator within fourteen (14) days after the Arbitration Service has been selected. If possible, the Arbitrator will be an attorney or retired judge with experience in one or more of the substantive areas of law invoked by the Claim(s) and will be chosen from a list of arbitrators to be provided by the Arbitration Service in accordance with its rules. If the parties choose not to use an Arbitration Service and cannot agree upon an Arbitrator, either Party may petition a court of competent jurisdiction in the county in which the Community is located to select the Arbitrator.
- E. **Arbitrator’s Authority.** The Arbitrator has the sole jurisdiction to resolve all Claims (other than the Excluded Claims), including but not limited to wrongful death claims and any disputes about the signing, validity, enforceability, scope, applicability, interpretation, severability and waiver of this Agreement or competency of the parties. No Claim may be asserted in arbitration on a class basis or, except as a court determines otherwise, by a Party seeking a public injunction. The Arbitrator does not have jurisdiction to certify any person as a representative or member of a class of persons and, by doing so, hear Claims of persons not directly taking part in arbitration.
- F. **Scheduling Order and Hearing.** With the input of the parties, the Arbitrator will enter a scheduling order in keeping with arbitration being a streamlined and cost-effective process with expedited and limited discovery. Unless the Parties consent or the Arbitrator otherwise orders, the hearing must occur within 180 days after selection of the Arbitrator. Unless the Parties otherwise agree, the Arbitrator will conduct any in-person arbitration at a location in the same county as the Community. The Arbitrator will conduct the arbitration in accordance with the

FAA and the rules of the Arbitration Service (if an Arbitration Service is used). The Arbitrator will determine the scope of and place such limitations on written discovery and witness testimony as the Arbitrator deems appropriate for the Claims at issue and as advisable to ensure efficiency and cost effectiveness of arbitration.

- G. **Decision.** The Arbitrator must make written findings on each matter in controversy. The decision must be marked “confidential,” must state the Arbitrator’s findings of fact and conclusions of law, and must be signed. If any damages are awarded, the decision must specify an amount for each type of damages awarded. The Arbitrator shall serve the decision, which shall state findings of fact and conclusions of law, within thirty (30) working days after the conclusion of the arbitration hearing.
- H. **Appeals.** The Parties agree that the Arbitrator’s decision shall be final and binding, except that either Party may appeal the decision for the limited reasons for which the decision may be vacated, modified, or corrected under the FAA.
- I. **Refusal to Participate.** If any party refuses to respond to a Demand or participate in arbitration, the party making the Demand may proceed with arbitration and obtain an award or a default award against the non-participating party.

6. **Fees and Costs**

- A. **Mediation Fees and Costs.** The Parties agree that the cost of mediation, including filing fees, the fees of the mediator and any administrative fees of the mediation provider, shall be shared equally by the Parties.
- B. **Arbitration Fees and Costs.** The Parties agree that the costs of arbitration, including the filing fees, the fees of the arbitrator(s) and any administrative fees of the arbitration provider, shall be shared equally by the Parties, unless otherwise required by law or determined by the arbitrator in the final award.
- C. **Counsel and Attorneys’ Fees.** Each Party may be represented by its own counsel in any mediation and/or arbitration. Each party agrees to bear its own attorneys’ fees and costs, unless otherwise specifically awarded by the Arbitrator under state or federal law.

7. **Severability.** The Parties agree that the only essential terms of this Agreement are the agreement and willingness of both parties to arbitrate on an individual basis and the limits on class and representative actions in Section 5(E). Accordingly, notwithstanding any other provision of the Care Agreement to the contrary, if Section 5(E) is deemed invalid, the remainder of this Agreement (other than this sentence) will be null and void, and if any other provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, the remaining provisions of the Agreement shall remain in full force and effect.

8. **Merger.** Upon execution, this Agreement shall merge into and become part of the Care Agreement unless it is cancelled as described in Section 12 of this Agreement.

9. **No Restrictions on Communications.** This Resident retains the right to communicate with federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees, and representatives of the state long-term care ombudsman, or any other regulatory agency. This Agreement in no way prohibits or otherwise discourages the Resident from communicating with such agencies and officials.

10. **Confidentiality.** All proceedings and materials related to the Arbitration including all depositions, documents, and other materials are confidential. Neither the information and documentation shared or specific to arbitration under this Agreement, nor the Arbitrator's findings and decision can be used by any other party or in any other legal proceeding. All originals and copies of documents exchanged during discovery and the arbitration hearing must be returned to the producing party within thirty (30) days following receipt of the Arbitrator's decision. The Community will maintain the Arbitrator's decision for five (5) years after the resolution of the dispute and, upon request, will make the decision available for inspection to Centers for Medicare and Medicaid Services (CMS) or its designee.

11. **Not a Condition of Admission or Care.** You are not required to sign this Agreement as a condition of admission to the Community or to continue to receive care at the Community. You are encouraged to discuss this Agreement with an attorney before signing.

12. **Right to Cancel Agreement.** If you sign this Agreement but change your mind within thirty (30) days of signing it, you may cancel the Agreement by providing written notice, sent by certified mail, return receipt requested, to the Community's Executive Director.

13. **Survival.** This agreement to arbitrate survives and will not be discharged or cancelled by the death of any party hereto, the termination of the Care Agreement, nor by the Resident ceasing to reside at the Community.

BY SIGNING THIS ARBITRATION AGREEMENT, THE RESIDENT AND/OR THE RESIDENT'S REPRESENTATIVE AFFIRM THE FOLLOWING (PLEASE INITIAL):

_____ This Agreement has been explained to me in a form and manner and in a language that I understand.

_____ I understand that signing this Agreement is neither a condition of admission to the Community nor a requirement to continue receiving care at the Community.

_____ I have read and understand this Arbitration Agreement.

_____ I have had the opportunity to ask questions about this Agreement and my questions have been answered to my satisfaction.

_____ I have had the opportunity to discuss this Agreement with an attorney (even if I did not choose to do so).

_____ I understand that, in the future, I may need to move to another location or level of care within the Community one or more times and that I will be required to sign an addendum to the Care Agreement (or have such an addendum signed on my behalf) in connection with each such move. I acknowledge and agree that this

Agreement will remain in effect following such move, and I hereby authorize any individual who signs such an addendum on my behalf to reaffirm this Agreement and/or enter into a new arbitration agreement on my behalf.

_____ **I understand, that by signing this Agreement, I have waived the right to a trial by jury and that all legal disputes I may have against the Provider, Community, and related parties, aside from those specifically excluded by this Agreement, shall be resolved through binding, individual arbitration.**

_____ **I understand that, by signing this Agreement, I am agreeing to have all Claims I may have against the Provider, Community, and related parties, decided by binding individual arbitration and that I am giving up my right to have such claims determined in court by a judge or a jury or in a class action.**

EACH OF THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE FULLY UNDERSTANDS AND VOLUNTARILY CONSENTS TO THE TERMS AND CONDITIONS OF THIS ARBITRATION AGREEMENT, WHICH IS MADE PART OF THE RESIDENCE AND CARE AGREEMENT. EACH OF THE UNDERSIGNED FURTHER CERTIFIES THAT HE OR SHE IS THE RESIDENT OR A PERSON AUTHORIZED BY THE RESIDENT, OR OTHERWISE AUTHORIZED, TO ACCEPT THE TERMS OF THIS ARBITRATION AGREEMENT.

Resident Signature: _____

Print Name: _____

Date: _____

Resident Signature: _____

Print Name: _____

Date: _____

If Resident is unable to sign this Agreement, then a legal representative of the Resident may sign on his/her behalf below.

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident’s behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident’s Legal Representative
Signature (if applicable): _____

Print Name: _____

Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

My signature indicates that I am authorized or have authority to sign and enter into this Arbitration Agreement on behalf of the Resident, _____. I represent that the Resident (or a court) has vested in me the authority to sign this Agreement on the Resident's behalf. **By signing, I agree to be bound by this Arbitration Agreement in my individual capacity and on behalf of the Resident.**

Resident's Legal Representative
Signature (if applicable): _____

Print Name: _____ Date: _____

***Copy of legal documents evidencing relationship/authority must be provided to Community**

Authorized Agent
of the Community Signature: _____

Print Name: _____ Date: _____

B. Priority List Application

Windsor Run **PRIORITY LIST APPLICATION**

I hereby make application for a secured position on **Community Full Name Priority List.**

Priority Date: PL Priority Date

(To be completed by sales counselor. Priority date is determined by the date this application is received at the Sales and Information Office.)
As you join the Priority List, we ask that you further designate whether you wish to be on the "Standby" or "Futures" part of the Priority List. Both designations maintain your same, all-important priority date. If you would like to review available residences when selections are available for reservation, please designate "Standby Priority." Our sales counselor will call you as soon as the type of residence you specify is available. If you are not sure when you would like to move, please designate "Futures Priority."

RESERVATION

I am reserving the following residence:

Unit #

STANDBY PRIORITY

I would like to move to the next available residence that meets my preferences.

FUTURES PRIORITY

I wish to establish my priority status with the intent of moving at a later date.

My living accommodation preference:

PL Accommodation Preference

NAME Full Name DATE OF BIRTH Birthdate

MARITAL STATUS Marital Status

NAME Full Name DATE OF BIRTH Birthdate

ADDRESS Mailing Street

CITY Mailing City STATE Mailing State/Province ZIP Mailing Zip/Postal Code

PHONE Home Phone EMAIL Email

WERE YOU REFERRED BY ANYONE? PL Referred By

Please sign this application and return it with your check to Community Full Name. A copy will be returned to you for your records. By signing below, you consent to receive an electronic copy of the Windsor Run Disclosure Statement by delivery to the email address provided by you above.

APPLICANT(S) Full Name DATE

APPLICANT(S) Full Name DATE

Account Name Capitalized Full Name DATE

Windsor Run PRIORITY LIST APPLICATION

- 1) Your status on the Priority List is determined by your priority date with earlier dates having higher priority. Paying the refundable Priority List deposit and the application fee will ensure that you are placed on the list based on the day the Sales and Information Office receives your application.
 - 2) If you wish to move from the Priority List to a residence reservation, you will not need to complete another application or pay another Priority List deposit or application fee. You will need to pay an additional reservation deposit, which is always refundable as per the Residence and Care Agreement.
 - 3) Prior to moving to Windsor Run, applicants must complete the admissions process, which includes financial and health/service screenings. Windsor Run reserves the right to determine if the community offers appropriate care and services for the applicant. Windsor Run may offer conditional approval or may offer a different residence than the applicant's preference.
 - 4) Joining the Priority List does not ensure that the amount of the Entrance Fee will not change before the applicant enters the community. Reserving a residence does ensure that the Entrance Fee for that specific residence will not change if the applicant enters the community within the requisite time frame.
 - 5) Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this application/agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. This agreement may be signed in counterparts, all of which together constitute one agreement.
- 1) Your \$PL Refundable Deposit Priority List Deposit and any additional deposits will be applied in full toward your Entrance fee as you begin your move to Windsor Run. This Reservation Deposit Agreement is a binding agreement that can be cancelled as stated below.
 - 2) All deposits will be returned to you: (a) within 30 days of a written request; (b) if you are determined to be ineligible for entrance into the community; or (c) if you rescind the Residence and Care Agreement within 30 days of execution of the Agreement or receipt of a Disclosure Statement which meets the requirements of N.C.G.A. Chapter 58, Article 64, whichever is later and regardless of occupancy. In addition, all deposits are returned when this agreement is automatically cancelled due to your death, illness, injury, or incapacity that would preclude you from occupying a living unit in the community under the terms of the contract. All deposits will also be returned if the facility is not constructed or the residence does not meet the specifications in the Disclosure Statement received by the applicant.
 - 3) As you complete your move to Windsor Run, all of your deposits toward the Entrance Fee will remain in escrow until (a) the deposit is returned to you as described in Section 2 above; or (b) the escrow agent releases the Entrance Fee to Windsor Run as permitted by state law and/or the escrow agreement.
 - 4) Any interest earned on deposits in escrow will be used for the benefit of Windsor Run. Any interest earned on deposits in escrow will be used for the benefit of Windsor Run.
 - 5) Your \$PL Application Fee application fee is a one-time, nonrefundable fee. The application fee is refundable only if you exercise the right of rescission described in Section 2(c) above, but Windsor Run may retain the application fee as a reasonable service charge if it does not exceed two percent (2%) of the Entrance Fee.



2030 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com



WINDSOR RUN Continuing Care Priority List Agreement

I hereby confirm my interest in obtaining Priority List status at continuing care at Trademark®. I understand and accept the Conditions of the Assisted Living Priority List and Priority List Fee Agreement.

RESERVATION

I am reserving the following apartment home

Apartment #

STANDBY PRIORITY

I would like to move to the next available apartment home that meets my preferences.

FUTURES PRIORITY

I wish to establish my priority status with the intent of moving at a later date.

My living accommodation preference in continuing care:

Level of Care _____

Name: Full Name _____ Date of Birth: Birthdate _____ Age: Age _____

Gender: Gender _____ Marital Status: Marital Status _____

Spouse's Name: Full Name _____ Date of Birth: Birthdate _____ Age: Age _____

Address: Mailing Street _____ City: Mailing City _____

Mailing State: State/Province _____ Zip: Mailing Zip/Postal Code _____ Phone: Home Phone _____

Email: Email _____

Please sign this agreement and return it with your payment of \$PL Refundable Deposit to Community Full Name. Make check payable to Community Full Name. A copy will be returned to you for your records. By signing below, you consent to receive an electronic copy of the Windsor Run Disclosure Statement by delivery to the email address provided by you above.

Applicant or Legal Representative: _____ Date: _____

Applicant or Legal Representative: _____ Date: _____

Resident Representative Name: Full Name _____

Address: Mailing Street, Mailing City, Mailing State/Province, Mailing Zip/Postal Code _____

Authority to sign for Resident (*power of attorney, guardian, health care agent, etc.*): Authority to sign _____

Community Full Name Representative: _____ Date: _____

Office use only: Priority date PL Priority Date

(Priority date is determined by the date this completed application is received at the continuing care neighborhood at Windsor Run.)

Conditions of the Continuing Care Priority List

1. Your status on the continuing care Priority List is determined by your Priority List date with earlier dates having higher priority. Paying the refundable Priority List Fee will ensure that you are placed on the list based on the day the community receives your agreement.
2. If you wish to move from the continuing care Futures List to the Standby List, you will not need to complete another agreement or pay a second Priority List Fee. If accepted to continuing care at Windsor Run, you will need to pay the Community Fee.
3. Prior to moving to continuing care at Windsor Run, you must complete the admissions process, which includes a health/service screening. We reserve the right to determine if we can offer appropriate care and services for you. We may offer conditional approval or may offer a different apartment than your original preference. We make no representation about acceptance with this agreement.

Priority List Fee Agreement

This payment entitles you to priority status with the intent of moving into continuing care at Windsor Run at a later date. Any refunds will be in accordance with the terms and conditions set forth below and in the Agreement signed at the date of admission.

1. You will receive a full refund of the continuing care Priority List Fee if you cancel the agreement prior to moving in. You will also receive a full refund if Windsor Run cancels because you are not eligible for continuing care services. Refunds will be made within thirty (30) days of the cancellation by either party. All deposits will be returned to you: (a) within 30 days of a written request or (b) if you are determined to be ineligible for entrance into the community.
2. If you move into continuing care, we will apply the Priority List Fee, in the form of credit, to the Community Fee.
3. Once paid, the Priority List Fee is the property of Windsor Run. You have a right to refund, prior to moving in, as described herein. If you move out of continuing care at Windsor Run within the first thirty (30) days of occupancy, for any reason, a pro-rated refund will be issued based on your actual number of occupancy days. After the first thirty (30) days of occupancy, no refund of the Community Fee will be issued. Any interest earned on the Priority List Fee is used for the benefit of Windsor Run.



1807 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com

Independent Living | Assisted Living Services | Memory Support Services | Long-Term Care

704-443-6400



133885

C. Financial Information Form

**FINANCIAL INFORMATION FORM
CONFIDENTIAL**

Note: The following questions will be discussed at the financial appointment. If you would like to answer below, please feel free to do so.

Additional Questions	Detailed Answer (Name, Amount, Valuation Date, Etc.)
1. Please provide details for joint account holders/joint asset holders (such as children, POA, other family members) for assets listed in "Assets" section.	
2. Other than personal liabilities listed above, have you cosigned/guaranteed anyone else's debts?	
3. In the last 5 years, have you transferred any of your assets worth more than \$20,000 to others? If so, please describe the circumstances and the value received by others. Also, what is the value, if any, you received back?	
4. Do you regularly make monetary gifts or provide regular monetary support to family members, friends, favorite charities, or other programs?	
5. Do you plan on making significant future monetary gifts in addition to the above?	
6. In the last 10 years, have you filed for protection from creditors or been judged bankrupt?	
7. In the last 5 years, have you loaned money to family/friends and have money owed back to you as the lender?	

Resident Name: _____ Current Date: _____

Page 4 of 4

Financial Information Form



**FINANCIAL INFORMATION FORM
CONFIDENTIAL**

Name: _____ Date of Birth: _____

Marital Status: _____

Name: _____ Date of Birth: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Note: Please ensure that below amounts are as current as possible and please bring support for stated amounts to financial appointment.

Assets	Name (Bank, Location, Description)	Value as of Date	Amount
A) Checking Account	_____	___ / ___ / ___	\$ _____
B) Savings Account	_____	___ / ___ / ___	\$ _____
C) Savings Account	_____	___ / ___ / ___	\$ _____
D) Certificate of Deposit	_____	___ / ___ / ___	\$ _____
E) Certificate of Deposit	_____	___ / ___ / ___	\$ _____
F) Mutual Funds	_____	___ / ___ / ___	\$ _____
G) Stocks and Bonds	_____	___ / ___ / ___	\$ _____
H) Stocks and Bonds	_____	___ / ___ / ___	\$ _____
I) Real Estate—Plan to Sell	_____	___ / ___ / ___	\$ _____
J) Real Estate—Plan to Hold	_____	___ / ___ / ___	\$ _____
K) Other Financial Assets <small>(e.g., Trusts available for resident use, life insurance, long-term care insurance)</small>	_____	___ / ___ / ___	\$ _____
		___ / ___ / ___	\$ _____
Total Assets			\$ _____
Liabilities			
A) Home Mortgage	_____	___ / ___ / ___	\$ _____
B) Loan on Autos	_____	___ / ___ / ___	\$ _____
C) Credit Cards	_____	___ / ___ / ___	\$ _____
D) Other Debts/Liabilities	_____	___ / ___ / ___	\$ _____
E) Other Debts/Liabilities	_____	___ / ___ / ___	\$ _____
Total Liabilities			\$ _____
(Assets minus Liabilities) Total Net Worth			\$ _____

**FINANCIAL INFORMATION FORM
CONFIDENTIAL**

Sources of Monthly Income:	Resident Name	Term of Income (# of months, whole life, etc.)	Survivor Benefits (Yes or No)	Amount
A) Social Security	_____	_____	_____	\$ _____
B) Social Security	_____	_____	_____	\$ _____
C) Pension	_____	_____	_____	\$ _____
D) Pension	_____	_____	_____	\$ _____
E) Annuity	_____	_____	_____	\$ _____
F) Annuity	_____	_____	_____	\$ _____
G) IRA	_____	_____	_____	\$ _____
H) IRA	_____	_____	_____	\$ _____
I) Investment Income	_____	_____	_____	\$ _____
Source:	_____	_____	_____	\$ _____
J) Other Income	_____	_____	_____	\$ _____
K) Other Income	_____	_____	_____	\$ _____
				\$ _____
Total Monthly Income				\$ _____

If we have additional financial questions, whom should we contact?

You Your Financial Advisor

Financial advisor's information (if applicable):

Name _____
 Street _____
 Address _____
 City, State, Zip Code _____
 Phone _____
 Email _____

Who will be responsible for your bills?

You Other

If Other, please give information (if applicable):

Name _____
 Street _____
 Address _____
 City, State, Zip Code _____
 Phone _____
 Email _____

I hereby certify that the information supplied herein is complete and accurate to the best of my knowledge, and I agree to provide whatever information Windsor Run deems necessary to verify my financial position. I also understand that my approval for residency is predicated upon the accuracy of this information and said approval may be revoked at any time should any of the information prove to be substantially false.

Signature: _____ Date: _____

Signature: _____ Date: _____

We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, sexual orientation, or national origin.

D. Resident Profile

Thank you for completing this form.

We are looking forward to getting to know you when you come to Windsor Run for your pre-residency meeting. Please bring the following to your appointment:

- This completed form
- The Financial Information Form and related documents
- All health insurance cards
- Power of attorney for finances
- Advance directives for health care to include your power of attorney for health care and/or living will
- Document indicating the executor of estate
- Long-term care insurance

My signature confirms that I understand the information I provide on the Resident Profile and at the pre-residency meeting will be treated with confidentiality and that it is accurate as signed and dated. The information will be used only by authorized employees or agents of the community. The information may also be subject to disclosure as provided by applicable laws.

(Applicant's Signature) (Date)

If this form was completed by someone other than the applicant, please have that person state the reason and sign below.

Form completed by _____

Reason _____

Relationship to applicant _____

(Applicant's Signature) (Date)


Windsor Run
BY ERICKSON SENIOR LIVING®
2030 Windsor Run Lane
Matthews, NC 28105
WindsorRunCommunity.com



Resident Profile

We are excited you have chosen Windsor Run, managed by Erickson Senior Living®, as your next home! As you proceed with your planning, one of your next steps is to come in for a pre-residency meeting. During this session, you will meet with a Windsor Run staff member and begin to understand how the community can help support a successful transition to your new home, while also learning more about the amenities that are available to you. This dedicated time is an opportunity for us to learn more about you and for you to continue to develop relationships with the rest of the Windsor Run team.

In preparation for your pre-residency meeting, we ask that you please complete the pages that follow this letter; this information will be used to start your unique Resident Profile. During this meeting, we will be happy to answer any questions you have and to provide you with any additional amenity information you may desire.

We look forward to partnering with you as you begin this new chapter of your life; we view this pre-residency meeting as the beginning of a lasting relationship.

Best regards,

The Windsor Run Team


Windsor Run
BY ERICKSON SENIOR LIVING®

RESIDENT PROFILE

PERSONAL & DEMOGRAPHIC INFORMATION

First Name _____ MI _____ Last Name _____ Title _____

Maiden Name _____ Preferred Name _____

Sex: Male Female

Phone _____ Mobile _____ Email _____

Date of Birth _____ Place of Birth _____
(City, State, Country)

WORK INFORMATION

If retired, what was your main occupation? _____

Are you currently working? Yes No

If Yes: Full-Time Part-Time

Company _____ Occupation _____

Military Service: Veteran Nonveteran

RELIGIOUS PREFERENCE (Optional)

Please Specify (Example: Buddhist, Catholic, Jewish, Muslim, Protestant):

ADDITIONAL DEMOGRAPHICS

Primary Language _____

Marital Status: Single Married Widowed Separated

Divorced Domestic Partner Other _____

WILL YOU BE BRINGING A DOG OR CAT TO CAMPUS? Yes No

Dog Breed? _____ Cat Breed? _____

Who would take care of your pet if you could not?

Name _____ Phone _____
(Home or Mobile)

WILL YOU BE BRINGING A MOTOR VEHICLE TO CAMPUS? Yes No

We will help you to register your vehicle.

NOTIFY IN CASE OF EMERGENCY (List three contacts, if possible.)

1. Name _____ Relationship _____
Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

2. Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

3. Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

ADVANCE DIRECTIVES

Have you completed an advance directive for health care or a living will? Yes No

Have you completed a financial power of attorney? Yes No

END-OF-LIFE-PROVISIONS (Optional)

Funeral Home _____

Address _____

City _____ State _____ Zip _____ Phone _____

EXECUTOR OF ESTATE

Name _____ Relationship _____

Address _____ City _____

State _____ Zip _____ Email _____

Phone _____ Mobile _____ Work _____

INSURANCE INFORMATION (Please bring all of your health insurance cards to the pre-residency meeting.)

1. Primary _____ Policy # _____
Secondary _____ Policy # _____

2. Do you have long-term care insurance? Yes No

Insurance Company Name _____

Policy # _____

E. Refund Form

E. Refund Form

WINDSOR RUN
REFUND FORM

Name of Resident(s): _____
Living Unit: _____
Date of Receipt by
WINDSOR RUN: _____

Preliminary Statements and Directions

1. Pursuant to the Residence and Care Agreement (the "Care Agreement") with WINDSOR RUN, Resident is entitled to the contracted refund (if any) of the Entrance Fee paid to WINDSOR RUN under certain specified conditions during Resident's lifetime or upon Resident's death based upon termination of the applicable Care Agreement (referred to as the "Refund"). Resident's right to the Refund is set forth in the Care Agreement. This Refund Form is only for the purpose of designating the beneficiaries and does not change the terms and conditions for the Refund. Resident and Resident's beneficiaries are subject to all terms and conditions for the Refund and should review the same carefully. For the purpose of these Refund Forms, the term "Resident" includes the plural.

2. Resident understands that the purpose and effect of this Refund Form is to designate the beneficiary(ies) of the right to the Refund. By signing this Refund Form, Resident is hereby revoking any previously executed Refund Forms.

3. If the Entrance Fee is being paid on behalf of two (or more) Joint Residents, both Joint Residents understand that the Entrance Fee of the first Joint Resident to pass on will be treated as though it has been paid by the survivor, to be used for the survivor's care if necessary (minus the Community Fee if applicable), and that the Refund will eventually be paid to the survivor, to the beneficiaries named in the survivor's Refund Form, or to the survivor's estate.

4. **Resident understands that it is Resident's responsibility to review the terms of this Refund Form to make sure that its terms are coordinated with Resident's current will or other trusts and estate plan. WINDSOR RUN strongly recommends that Resident review this Refund Form with an attorney or other estate planning professional prior to execution to ensure such coordination and to review potential tax liability in making these designations or in the eventual payment of the refund.** WINDSOR RUN reserves the right to review and approve the forms so that the right to the refund is clearly delineated for WINDSOR RUN's staff.

5. WINDSOR RUN will make the Refund only as specified in the most recent duly executed and approved Refund Form. Resident may revise the right to the Refund by duly executing a new Refund Form.

6. Please sign one of the following forms designating the right to the Refund. Be sure to read all of the forms before making a selection. If you do not understand the forms, please consult with your estate planning professional. If you do not understand the directions, please consult with the Sales and Admissions Staff. **You may select and sign only one form.**

7. If Resident is designating the Refund to more than 1 beneficiary, percentages must add up to 100%. Please do not fill in cash amounts. WINDSOR RUN can only refund based upon percentages of the Refund, due to the possibility of a spend-down or partial spend-down of the Entrance Fee.

8. It is the responsibility of Resident or Resident's representative, if applicable, to give WINDSOR RUN the most recent addresses for all listed beneficiaries.

9. There are no third-party beneficiaries to this agreement between WINDSOR RUN and Resident. WINDSOR RUN is not responsible for notifying or advising any beneficiaries of changes in the designation of the Refund.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Refund Form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Refund Form may sign separately in several counter-parts, all of which together shall constitute one and the same Refund Form.

11. Resident hereby acknowledges that he or she has read the preliminary statements and instructions, reviewed the attached options for a Refund, and understands the purpose and consequences of this Refund Form.

Date

Resident

Date

Resident

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.):

Received by WINDSOR RUN:

By: _____
WINDSOR RUN Representative

Date

REFUND FORM 1

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to: **(please check one option)**

Resident _____ Beneficiaries as designated below _____

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be paid directly for convenience to the beneficiaries listed below, *per stirpes*, in the percentages indicated. **Percentages listed below may go up to two decimal places and must add up to 100 (i.e. 33.33%, 33.33%, 33.34%).**

Percentage Interest, Name & Address of Beneficiary

1. _____ % _____ _____ _____	2. _____ % _____ _____ _____
3. _____ % _____ _____ _____	4. _____ % _____ _____ _____
5. _____ % _____ _____ _____	6. _____ % _____ _____ _____

Resident

Date

Resident

Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund of Form as Resident's own act.

Witness

Address

Witness

Address

Received by WINDSOR RUN:

By: _____
WINDSOR RUN Representative

Date

Note 1 - Per stirpes generally means that if a named person is not living at the time the Refund is to be distributed, his or her children will share that person's share of the Refund equally. A pattern of children substituting for and sharing equally in their deceased parent's share continues through succeeding generations existing as of the date of the Resident's passing or, in the case of Joint Residents, the last Resident's passing.

REFUND FORM 3

1. Refund during Lifetime - In the event that a Refund becomes payable during Resident's lifetime under the terms of the Care Agreement, Resident hereby designates that the Refund be paid to the Resident. If the Entrance Fee was paid on behalf of Joint Residents, the Refund will be paid to both joint residents.

2. Refund Upon Death - In the event that a Refund becomes payable upon Resident's death under the terms of the Care Agreement, Resident hereby designates that the Refund be made payable to the Estate of Resident. In the case of Joint Residents, the Refund will be made payable to the Estate of the final surviving Joint Resident. The check payable to the Estate of Resident or the Estate of the surviving Joint Resident should be mailed to the duly qualified personal representative, Executor, or Executrix, as the case may be, of the Estate. (Note: The person representing to be the "duly qualified" executor/representative of the Estate must present official letters of administration/appointment from the probate office, probate court, or other appropriate legal forum. A will or copy of a will is not qualification. Resident should consult with resident's legal counsel/estate planner to understand the requirements.)

Resident

Date

Resident

Date

If signed by a representative, indicate name of representative and nature of authority (i.e. power of attorney, guardian, etc.): _____

This Refund Form was signed by the above-named Resident(s) in our presence and in the presence of each other and the above-named Resident(s) has acknowledged this Refund Form as Resident's own act.

Witness

Address

Witness

Address

Received by WINDSOR RUN:

By: _____

WINDSOR RUN Representative

Date

F. Club Membership Application

WINDSOR RUN CLUB
APPLICATION FOR MEMBER

Unless otherwise noted by Resident's having initialed the statement below, execution of this Residence and Care Agreement will constitute Resident's application to become a member of the Windsor Run Club (the "Club"), a private social club. The Club is a social club which will hold a private club license permitting the service of alcoholic beverages to its members and their guests for on-premises consumption at certain facilities in the Windsor Run retirement community complex. In accordance with the Windsor Run Club Membership and Participation Policy and the requirements of the ABCE, the application shall be considered by the Club's membership committee, which will inform Resident if he or she has been accepted for membership. Copies of the Club's policy shall be provided to Resident upon his or her request.

_____ My execution of this Agreement shall not constitute my application to become a member of the Windsor Run Club.

G. Key Receipt Form

**WINDSOR RUN
KEY RECEIPT FORM**

Resident Name(s): _____

Apartment/ Unit #: _____

I/We have received the following items on the date shown next to signature(s):

_____ Apartment Keys [if applicable]

_____ Resident Key Badges [if applicable]

_____ Exterior Door Keys [if applicable]

_____ Mailbox Keys [if applicable]

_____ Storage Keys [if applicable]

For purposes of the Residence & Care Agreement, if applicable, taking apartment keys is considered the Occupancy Date and the Monthly Service Package fees start as of the take keys date.

Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this form shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counterparts, all of which together shall constitute one and the same form.

Resident/Representative Signature

Date

Resident/Representative Signature

Date

If signed by a Representative, indicate name of Representative and nature of authority (i.e. power of attorney, guardian, etc.) _____

Community Representative Signature

Date

H. Promissory Note and Allonge to Promissory Note

\$ _____
Matthews, North Carolina

Date of Note: _____ 20__

WINDSOR RUN, LLC
PROMISSORY NOTE

Now, therefore, the undersigned, _____, (the "Maker"), hereby promises to pay to the order of WINDSOR RUN, LLC at its offices located at 2030 Windsor Run Lane, Matthews, North Carolina 28105 or at such other place as the holder of this Note may, from time to time designate, the principal sum of: _____ Dollars (\$ _____), plus all accrued interest (unless waived under Section 1 hereof), payable on or before the Maturity Date as defined in Section 2 hereof.

1. **Interest Rate.** Interest on the unpaid principal balance shall begin accruing on the **DATE OF THIS NOTE** which appears in the upper right hand corner of this Note, at the rate of nine percent (9%) per annum (360 days per year) and said accrued interest shall be invoiced and paid monthly (**in arrears**) beginning the first day of the second calendar month following the **DATE OF THIS NOTE**. In the event that the Maker of this Note pays the entire principal balance due on or before the Maturity Date, the interest for the period through the payment date shall be **waived**. In the event that the **entire** principal balance is not paid on or before the Maturity Date, **accrued interest will be charged every month from the Date of this Note on the unpaid principal balance until satisfaction and termination of this Note.**

2. **Maturity Date.** The Maturity Date of this Note shall be: the earlier of (i) _____, 20__ or (ii) five business days from the sale and settlement of the Maker's property located at _____.

3. **Repayment.** The entire principal balance shall be due and payable on or before the Maturity Date. In addition to payment of the principal balance, Maker agrees to pay any assessed interest as provided in Section 1.

4. **Application of Payments.** All payments made hereunder shall be applied first to accrued interest, before being applied to principal, unless the interest is waived under Section 1.

5. **Prepayment.** The undersigned may prepay this Note in whole or in part at any time without any penalty.

6. **Default.** Upon a default in the payment of any installment of principal or interest due hereunder which has continued for a period of thirty (30) days after written notice of default, the Holder may, in addition to any other remedy provided by law, recover attorneys fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/ Resident is terminated for non-payment.

7. Assignment. In the event the Holder of this Note shall assign or transfer this Note for value, the undersigned agrees that all subsequent Holders of this Note shall not be subject to any claims or defenses which the undersigned may have against a prior Holder, all of which are waived as to the subsequent Holder, and that all subsequent Holders shall have all of the rights of a Holder in due course with respect to the undersigned even though the subsequent Holder may not qualify, under applicable law, absent this paragraph, as a Holder in due course.

8. Waiver. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers of this Note. This Note shall be the joint and several obligation of all makers, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

9. Notice. Any notice provided for in the Note shall be in writing and shall be given and be deemed to have been given and received (i) when personally delivered against a signed receipt or (ii) three (3) days after being mailed by both registered or certified mail, return receipt requested and also by first-class mail, addressed to the maker or Holder at the appropriate address first above set forth or to such other address as may be hereinafter specified by written notice by the Maker or Holder.

10. Miscellaneous. This Note shall be construed and governed according to the laws of the State of North Carolina. Venue for any action arising out of the making of this Note shall be in Mecklenburg County, North Carolina.

11. Electronic Signature. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Note shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Note may sign separately in several counter-parts, all of which together shall constitute one and the same Note.

IN WITNESS WHEREOF, the Maker has caused this Note to be executed and sealed the day and year first above written.

WITNESS(ES):

MAKER:

Unit: _____

ALLONGE TO PROMISSORY NOTE

THIS ALLONGE TO PROMISSORY NOTE (the “Allonge”) is effective as of _____, 20__ by and between Windsor Run, LLC (“HOLDER”), and _____, (“MAKER”).

Recitals

R.1. MAKER executed that certain Promissory Note in favor of HOLDER in the principal sum of \$ _____, dated as of _____ (the “Note”).

R.2 MAKER and HOLDER have agreed to amend the Note per the terms and conditions stated herein.

Agreement

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MAKER and HOLDER hereby agree as follows:

1. **Amendment.** The Note is hereby amended as follows (**initial as applicable**):

_____ a. Each reference in the Note to the Maturity Date is hereby amended to mean and refer to _____, 20__ (the “Revised Maturity Date”). MAKER agrees to pay an additional \$ _____ (the “10% Deposit”) in principal on the date of this Allonge and agrees to continue paying equal 10% Deposit payments every thirty (30) days from the date of this Allonge until the Revised Maturity Date. On the Revised Maturity Date, MAKER agrees to pay all outstanding principal to HOLDER.

If MAKER pays each required 10% Deposit payment when due and also pays the outstanding principal by the Revised Maturity Date, then HOLDER will waive interest on the principal. However, if MAKER fails to make any of the required 10% Deposit payments on each due date or if MAKER fails to pay the outstanding principal by the Revised Maturity Date, then MAKER agrees and acknowledges that HOLDER will assess interest at the rate provided in the Note from the date of default of payment until full payment of the principal and accrued interest.

OR

_____ b. MAKER acknowledges that payment was not made by the Maturity Date and that MAKER cannot make additional principal payments. HOLDER agrees to permit MAKER to extend payment of the principal until _____, 20__ (the “Extension Date”). However, MAKER will be assessed and must pay interest of 9% per

annum on the unpaid principal until the Extension Date when all outstanding principal and interest are due and payable.

2. **Affirmation.** The representations of MAKER contained in the Note are true and correct as of this date and MAKER represents to HOLDER the accuracy of each representation as if they have been made on this date. This Allonge (a) is being physically attached to the Note simultaneously with the entry into this Allonge by the parties hereto, to evidence the modification of the provisions of the Note effected hereby, and (b) shall upon such attachment be deemed to be a part of the Note, as fully and completely as if its provisions were set forth in the body of the Note.

3. **Definition.** The term “this Note” as used in the Note, shall mean the Note as modified herein unless the context clearly indicates or dictates a contrary meaning. Other defined terms in this Allonge were previously defined in the Note and have the same meaning as defined in the Note.

4. **Default.** In the event of a default in the payment of any installment of interest or principal due hereunder, HOLDER may, in addition to any other remedy provided by law, recover attorneys’ fees and costs, and in its sole discretion and without further notice or demand, declare that the Residence and Care Agreement of the Maker/Resident is terminated for non-payment.

5. **Liability and Obligations; No Novation.** MAKER ratifies and confirms all of its liabilities and obligations under the Note and agrees that, except as expressly modified in this Allonge, the Note continues in full force and effect as if set forth specifically herein. MAKER and HOLDER agree that this Allonge shall not be construed as an agreement to extinguish the original obligations under the Note and shall not constitute a novation as to the obligations of MAKER under the Note.

6. **Electronic Signature.** Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Allonge shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Allonge may sign separately in several counter-parts, all of which together shall constitute one and the same Allonge.

7. **Prior Consent.** This Allonge may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of HOLDER.

Maker(s):

HOLDER: Windsor Run, LLC

By: _____

Title: _____

Living Unit: _____

I. Custom Interiors Agreement (if any)

**CUSTOM INTERIORS AGREEMENT ADDENDUM TO
RESIDENCE AND CARE AGREEMENT**

THIS CUSTOM INTERIORS AGREEMENT (the “**Agreement**”) is made as of this _____ day of _____, 2____, by and between Windsor Run, LLC, having an address of 2030 Windsor Run Lane, Matthews, North Carolina 28105 (herein referred to as “**Windsor Run**”) and _____ (“**Resident**”).

RECITALS

R.1 Resident has entered or shall enter into a Residence and Care Agreement (the “**Care Agreement**”) with Windsor Run to occupy the following residential unit at the Community: _____ (the “**Living Unit**”).

R.2 Resident desires to purchase certain upgrades or make certain changes to the current condition of the Living Unit to customize the Living Unit for Resident. Windsor Run is willing to make the changes desired by Resident only upon the following terms and conditions.

R.3 Terms that are not defined in this Agreement have the same meaning as in the Resident’s Care Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Improvements. Resident and Windsor Run agree that Resident’s Living Unit will be customized with the upgrades and improvements (the “**Improvements**”) which are listed in the Statement of Work/Price Quote in Exhibit A, attached to and incorporated into this Agreement.

2. Cost of the Improvements. Resident agrees to pay to Windsor Run the contract fee (“**Contract Fee**”) for the Improvements as listed in Exhibit A. The Contract Fee is due and payable in full upon signature of this Agreement, prior to ordering any custom materials or starting the work. Once Windsor Run has commenced the work by engaging contractors and/or ordering materials, the Contract Fee is then non-refundable. If Resident withdraws his or her application, rescinds the Care Agreement, or fails to occupy the Living Unit for any reason after commencement of the work, Resident understands and agrees that Resident shall **not** be entitled to any reduction or refund of the Contract Fee except as provided in Section 3 hereof.

3. Refurbishing Charges:

a. Pre-Occupancy. If Resident does not occupy the Living Unit for any of the reasons described in Section 2 hereof, Windsor Run may, in its sole discretion, elect to refurbishing the Living Unit to its previous condition or to market the Living Unit with the Improvements to a new resident. If Windsor Run elects to restore the Living Unit, Resident is responsible for any Refurbishing Charges as provided in Section 9.4 of the Residence and Care Agreement (see Section 9.4).

b. Post-Occupancy. After the Occupancy Date by Resident, if the Residence and Care Agreement is terminated by either party for any reason or terminates due to the death of Resident, or if Resident is permanently transferred to a different Living Unit, Windsor Run may, in its sole discretion, elect to refurbishing the Living Unit to its pre-upgrade condition or to market the Living Unit with the Improvements to a new resident. When Windsor Run elects to restore the Living Unit, Resident is responsible for any Refurbishing Charges as provided in Section 9.4 of the Residence and Care Agreement.

4. Entire Agreement. This Agreement and the Care Agreement constitute the entire agreement between the parties in respect of customizing and restoring the Living Unit, and there are no oral agreements between the parties in connection herewith. This Agreement is incorporated into the Care Agreement. The Care Agreement remains in full force and effect, and, if there is any inconsistency between this Agreement and the Care Agreement, the Care Agreement shall govern. This Agreement may be amended only in writing executed by all parties.

5. Governing Law; Venue. This Agreement shall be governed by the law of the State of North Carolina. The parties agree that venue for any claim or action arising out of this Agreement shall be in Mecklenburg County, North Carolina.

6. Severability. In the event that any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remainder of the Agreement which shall remain in full force and effect and shall be construed as though they had not contained the invalid or unenforceable provision.

7. Notices. Any notice, invoice, or payment under this Agreement to be given to a party may be either personally delivered or sent by first-class mail, postage prepaid, to the addresses of the parties herein given, unless another address shall have been substituted for such address by notice in writing.

8. Electronic Signatures. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

INTENDING TO BE LEGALLY BOUND, the parties have set forth their signatures below.

RESIDENT

WINDSOR RUN, LLC

By: _____
Print Name: _____
Title: _____

EXHIBIT A – STATEMENT OF WORK/PRICE QUOTE

1. The work to be performed by Windsor Run is described in the attached Price Quote. Windsor Run has the right to sub-contract or assign portions of the work to its subcontractors, vendors or suppliers. If Resident requests additional work to the Living Unit, such requests must be made in writing. No work can be commenced in the unit until Resident has taken keys for the Living Unit. Windsor Run shall advise Resident of any changes to the Contract Fee due to the additional requested work.

2. Limitation of Liability. Windsor Run will perform the work in a timely manner and in workmanlike fashion. **WINDSOR RUN'S LIABILITY TO RESIDENT FOR ANY CLAIMS OF DEFECTS IN MATERIALS OR WORKMANSHIP OR ANY OTHER CLAIMS ARISING FROM THE WORK SHALL NOT, IN ANY CIRCUMSTANCE, EXCEED THE AMOUNT OF THE CONTRACT FEE PAID BY RESIDENT TO WINDSOR RUN.**

J. Guaranty Agreement (if any)

WINDSOR RUN
GUARANTY AGREEMENT ADDENDUM TO
RESIDENCE AND CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Windsor Run, LLC, ("Windsor Run") and _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and has entered or will enter into a Residence and Care Agreement with Windsor Run;

WHEREAS, Beneficiary's current financial status does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 8 of this Agreement. The Guaranty is unlimited as to amount.

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection. If Windsor Run believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Windsor Run will not attempt to collect from the Beneficiary first.

3. Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from Guarantor or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will first determine if Beneficiary has any readily available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Guarantor; third, from spending down the Entrance Fee paid to Windsor Run; fourth, seek to obtain payment from medical assistance if Windsor Run believes medical assistance is available to Beneficiary; and finally, seek to obtain funds from any remaining source of available funds.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6. Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this agreement shall be interpreted under the laws of the State of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime or dies during residence at Windsor Run, Windsor Run agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Beneficiary's outstanding charges.

9. This Guaranty is incorporated into the Residence and Care Agreement. The Residence and Care Agreement remains in full force and effect, and, if there is any inconsistency between this Guaranty and the Residence and Care Agreement, the Residence and Care Agreement shall govern.

10. Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act,

or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Guarantor

Witness

Guarantor

Windsor Run, LLC

Witness

By: _____

WINDSOR RUN MONTHLY CONTRIBUTION GUARANTY
ADDENDUM TO THE RESIDENCE & CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between WINDSOR RUN, LLC. (herein referred to as "Windsor Run") and _____ (herein collectively referred to as "Guarantor").

WHEREAS, _____ ("Beneficiary") desires to become a resident of Windsor Run Retirement Community (the "Community"), operated by Windsor Run and has entered or will enter into a Residence and Care Agreement with Windsor Run;

WHEREAS, Beneficiary's current financial status does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances;

WHEREAS, Guarantor desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of a portion of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at the Community pursuant to the terms of the Residence and Care Agreement. Specifically, Guarantor agrees to voluntarily and unconditionally pay to the order of Windsor Run _____ Dollars (\$_____) per month towards Beneficiary's Monthly Service Package which will assist Beneficiary to continue payment of the remaining monthly balance without depleting Beneficiary's stated assets verified during the admission process. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 8 of this Agreement. If applicable, this Guaranty is limited to a total of _____ Dollars (\$_____).

2. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Until the total limit of the guaranty is reached, Guarantor will remit monthly payment by the 15th day of each month to Windsor Run at the following address: _____ . Payments are due in advance for each month.

4. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

5. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

6 Guarantor will be deemed to have defaulted under this Guaranty Agreement in the event that Guarantor fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

7. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this Agreement shall be interpreted under the laws of the State of North Carolina, and venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

8. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime, dies during residence at the Community, or Beneficiary becomes a permanent resident of the nursing facility to be located at Windsor Run, Windsor Run agrees that Guarantor shall be released from its obligations under this Guaranty Agreement upon satisfaction of all of Guarantor's obligations pursuant to this Guaranty Agreement. In addition, Windsor Run agrees that Guarantor shall be released from its obligations when and if Guarantor has paid the total limit of the guaranty as stated in Section 1 hereof.

9, Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

10. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Guarantor

Witness

Guarantor

WINDSOR RUN, LLC

Witness

By: _____

WINDSOR RUN
LIMITED GUARANTY AGREEMENT (JOINT ASSETS)
ADDENDUM TO RESIDENCE AND CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 20__ between Windsor Run, LLC ("Windsor Run") and _____ (herein collectively referred to as "Guarantor").

Recitals

R.1 _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and will enter into a Residence and Care Agreement with Windsor Run;

R.2 Beneficiary and Guarantor own jointly the assets (the "Joint Assets") set forth in Exhibit A, attached to and incorporated in this Agreement which Joint Assets have the value set forth in Exhibit A as of the date of this Agreement;

R.3 Due to the ownership of the Joint Assets, Beneficiary's individual financial status does not meet Windsor Run's standard qualifications for residency;

R.4 Guarantor desires to give Windsor Run additional assurances as to the Joint Assets in order to induce Windsor Run to accept the Beneficiary as a resident;

Agreement

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Subject to the limitations set forth in Section 2 hereof, Guarantor agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement. This Guaranty shall continue in effect from the date of this Agreement until the Guarantor is released by Windsor Run pursuant to Section 9 of this Agreement.

2. Unless Guarantor has committed a Default under this Guaranty as defined in Section 5 hereof, the Guaranty is limited to payment from the Joint Assets as set forth in Exhibit A. Guarantor understands that this is an unconditional Guaranty of payment, not collection.

3. Subject to Windsor Run's verification of Beneficiary's financial qualifications other than the Joint Assets and to Windsor Run's determination of the appropriate level of care for Beneficiary, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

4. In the event that Beneficiary is unable to meet his/her obligations under the Residence and Care Agreement without use of the Joint Assets, Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from the Beneficiary, the Joint Assets, the Guarantor, or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will take the following steps:

- 4.1. Upon Beneficiary's or Beneficiary's duly authorized representative's request for assistance pursuant to the Residence and Care Agreement, Windsor Run shall review the Beneficiary's then-current financial status, including but not limited to the balance of the Joint Assets. Windsor Run may request further documentation to show that any changes in the value of the Joint Assets, as shown in Exhibit A, were either expenditures made for the direct benefit of the Beneficiary or market fluctuations in the value of the Joint Assets.
- 4.2. If Windsor Run believes in its sole discretion that any expenditures from the Joint Assets were spent for the benefit of Beneficiary and that Beneficiary is not otherwise in breach of the Residence and Care Agreement, Windsor Run may then initiate a spend-down plan with the Beneficiary or the duly authorized representative for Beneficiary's assets, including the Joint Assets, other than the Entrance Fee. Windsor Run may require that Resident seek to obtain funds from outside sources such as medical assistance. If Windsor Run believes in its sole discretion that any expenditures from the Joint Assets were due to a Default by Guarantor, Windsor Run shall proceed as provided in Section 5 hereof.
- 4.3. After spend-down of Beneficiary's assets, including the Joint Assets, Windsor Run shall release the Guaranty and shall initiate a spend-down of the entrance fee.

5. Guarantor will be in Default under this Guaranty Agreement in the event that Guarantor withdraws, spends, distributes, pledges, assigns, or otherwise uses the Joint Assets for any purpose other than for the direct benefit of the Beneficiary. In the event of a Default, as a matter of policy but not obligation, Windsor Run shall normally proceed as follows:

- 5.1. Prior to initiating a spend-down plan as described in Section 4.2, Windsor Run shall first enforce the Guaranty. Windsor Run shall have the right to enforce payment of the Guaranty against any and all of Guarantor's personal assets in any form whatsoever and shall not be limited to payment from the Joint Assets. The Guaranty shall be limited to the amount of the Joint Assets withdrawn, spent, distributed, pledged, assigned, or otherwise used by the Guarantor other than for the direct benefit of the Beneficiary, which amount shall be determined by Windsor Run in its sole discretion.
- 5.2. In the event that Windsor Run is required to hire a collection agency or to initiate legal proceedings to enforce the Guaranty, in addition to any amounts due pursuant to the Guaranty, Guarantor shall also be responsible for any and

all interest, collection costs, and court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Guaranty.

5.3. After payment to Windsor Run of all sums due pursuant to the Guaranty and any interest, collection costs, court costs, including reasonable attorney's fees, which may be due pursuant to Section 5.2, Windsor Run will work with the Beneficiary or the Beneficiary's duly authorized representative to initiate the steps listed in Section 4.2 and 4.3 hereof for the spend-down program.

6. The parties agree that this agreement shall be interpreted under the laws of the State of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Mecklenburg County, North Carolina.

7. Guarantor hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Guarantor further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Guarantor shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

8. In addition to all rights available to Windsor Run under this Agreement, Windsor Run shall also have all of the rights and remedies enumerated in the Residence and Care Agreement, up to and including termination of residency, for non-payment of fees.

9. Windsor Run agrees that it will release Guarantor from the obligations under this Guaranty Agreement upon the sooner of:

- a. The termination of the Residence and Care Agreement either during his/ her lifetime or due to Beneficiary's death, upon satisfaction of all Guarantor's obligation under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Living Unit, whichever event shall occur first;
- b. The completion of the steps listed in Sections 4.1, 4.2 and 4.3 hereof; or
- c. The payment of all sums due to Windsor Run, as enumerated in Section 5.3, in the event of a Default.

10. Guarantor acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run, LLC sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Guarantor's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be deemed to refer to the successor owner or operator, and Guarantor shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Guarantor.

11. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Guaranty Agreement.

Witness

Guarantor

Witness

Guarantor

Windsor Run, LLC

Witness

By: _____

EXHIBIT A

Joint Assets

Value as of Date of Agreement

WINDSOR RUN TRUST GUARANTY
ADDENDUM TO THE RESIDENCE & CARE AGREEMENT

This Guaranty Agreement is made as of this _____ day of _____, 200__
between Windsor Run, LLC ("Windsor Run") and
_____ (herein collectively referred to as "Trustee(s)").

WHEREAS, _____ ("Beneficiary") desires to become a resident at the Windsor Run Retirement Community and has entered or will enter into a Residence and Care Agreement with Windsor Run.

WHEREAS, Beneficiary has certain assets and/ or income in a trust settled for his/her benefit known as the _____ Trust dated _____ (the "Trust");

WHEREAS, Beneficiary's individual financial status, without consideration of the Trust assets, does not meet Windsor Run' standard qualifications, and Windsor Run cannot allow Beneficiary to become a resident without additional assurances of the Trust;

WHEREAS, the Trustee(s), on behalf of the Trust, desires to give Windsor Run additional assurances in order to induce Windsor Run to accept the Beneficiary as a resident;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Trustee(s), for and on behalf of the Trust, agrees to voluntarily and unconditionally guarantee payment (the "Guaranty") of Beneficiary's obligations which are due or may become due to Windsor Run incurred relative to Beneficiary's residence at Windsor Run pursuant to the terms of the Residence and Care Agreement to the extent of the assets of the _____ Trust dated _____ (the "Trust") which assets are listed in Exhibit A, attached and incorporated hereto. This Guaranty shall continue in effect from the date of this Agreement until the Trustee(s) is released by Windsor Run pursuant to Section 9 of this Agreement.

2. In the event that the Trust is revoked, Beneficiary and/ or Trustee(s) shall give written notice to Windsor Run of the disposition of any and all of the assets of the Trust.

3. Trustee(s) understands that this is an unconditional Guaranty of payment, not collection. If Windsor Run believes, in its sole discretion, that an attempt to collect from the Beneficiary may be detrimental to the Beneficiary's health or would not be reasonable considering Beneficiary's economic condition, Windsor Run will not attempt to collect from the Beneficiary first.

4. Windsor Run will use its sole discretion in determining whether or not to proceed to collect amounts from Trustee(s) or other sources. In exercising that discretion, as a matter of policy but not obligation, generally Windsor Run will first determine if Beneficiary has any readily

available source of funds to pay his/her obligations and if Beneficiary does, seek to obtain the funds from such source; second, seek to obtain payment from Trustee(s); third, from spending down the Entrance Fee paid to Windsor Run; fourth, seek to obtain payment from Medicaid if Windsor Run believes Medicaid is available to Beneficiary; and finally, seek to obtain funds from any remaining source of available funds.

5. Subject to verification of Beneficiary's financial qualifications and health-related status, Windsor Run agrees to accept Beneficiary as a resident pursuant to the terms of the Residence and Care Agreement.

6. Trustee(s), for the Trust, hereby waives its rights to the following: presentment, demand, dishonor, protest, notice of nonpayment, and notice of dishonor. Trustee(s) further agrees that all arrangements concerning Beneficiary's financial obligations to Windsor Run shall be made and decided solely between Windsor Run and the Beneficiary. However, Trustee(s) shall be entitled, upon request, to receive a copy of Beneficiary's monthly statement.

7 The Trust will be deemed to have defaulted under this Guaranty Agreement in the event that Trustee(s) fails to pay to Windsor Run all amounts due and payable pursuant to the Guaranty within forty-five (45) days of demand by Windsor Run for payment pursuant to the Guaranty.

8. In the event of a Default, in addition to any amounts due pursuant to the Guaranty, Trustee(s) shall also be responsible for any court costs, including reasonable attorneys' fees, that might be incurred by Windsor Run in enforcing the Agreement. The parties agree that this agreement shall be interpreted under the laws of the Commonwealth of North Carolina and that venue for any claim arising out of this Guaranty Agreement shall be in Loudoun County, North Carolina.

9. In the event that Beneficiary terminates the Residence and Care Agreement during his/ her lifetime or dies during residence at Windsor Run, Windsor Run agrees that Trustee(s) and the Trust shall be released from its obligations under this Guaranty Agreement upon satisfaction of all Guarantor's obligation under this Guaranty Agreement and ninety (90) days following Beneficiary's Departure Date or resale of the Continuing Care Unit, whichever event shall occur first.

10. Trustee(s) hereby acknowledges that he/ she is fully authorized by the Beneficiary(ies) to guaranty the assets of the Trust.

11. Trustee acknowledges and agrees that this Guaranty Agreement is intended to run with the ownership of the Community. Accordingly, if Windsor Run sells, transfers, or otherwise conveys its ownership interest in the Community, or assigns its rights and obligations under the Residence and Care Agreement or this Guaranty Agreement to any successor owner or operator, then Trustee's obligations under this Guaranty Agreement shall automatically continue in full force and effect for the benefit of such successor owner or operator. From and after the effective date of any such transfer or assignment, all references in this Guaranty Agreement to "Windsor Run" shall be

deemed to refer to the successor owner or operator, and Trustee shall remain fully bound by this Guaranty Agreement without the need for further consent or action by Trustee.

12. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Guaranty Agreement shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this Guaranty Agreement may sign separately in several counter-parts, all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Witness

Trustee of the Trust

Witness

Trustee of the Trust

Windsor Run, LLC

Witness

By: _____

EXHIBIT A

Trust Assets as of _____, 20__:

K. Unit Release Forms

WINDSOR RUN
UNIT RELEASE ADDENDUM

Resident(s): _____ Unit: _____

Storage bin: _____ Parking Space/ Covered Parking: _____

Estimated Departure Date: _____

This form is used to release the current Living Unit in the event of a termination of the Residence and Care Agreement. The term “Community” refers to Windsor Run, LLC.

1. I/We hereby release the referenced Living Unit for resettlement. I/We intend to vacate the Living Unit by the indicated Estimated Departure Date and will also relinquish the keys to the Community. I/We also will relinquish the referenced storage bin and parking space as of the same date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Living Unit as of _____. If I/We are still living in the Living Unit, the Community will show the Living Unit only on mutually agreeable dates and times.

3. I/We will be responsible for the monthly service package, minus the non-occupancy credit as applicable, for the period defined in Section 8.6 of the Residence and Care Agreement or the Refund Section of the Continuing Care Addendum to the Residence and Care Agreement, as applicable.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for the Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy; however, depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

ILU Release ALF/Memory Care Release Nursing Unit Release

5. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. After the conditions are met, the Community will generate the Refund within the 60 day period. The full 60 day period may be needed to generate the Refund. The Community also offers these options (*please initial one*):

a. To expedite the Refund, I/ We direct the Community to deduct the amount of the final bill from the Refund and to send a copy of the final bill with the Refund check(s) depending on the designation of beneficiaries per the Refund Form. I/We will still have a reasonable opportunity to review the final bill and discuss charges deducted from the Refund. The Community will refund charges that

were deducted in error. **Initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6.**

_____ b. I/ We direct the Community to send the final bill for approval before any Refund. I/We understand that this may extend the processing for the Refund to the full 60 day period. **Initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum and any inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

Date

Signature of Resident or Resident's Representative

If signed by a Representative, Name, Address and
Phone # of Representative:

Staff Member: _____

WINDSOR RUN
UNIT RELEASE - TRANSFER ADDENDUM

Resident(s): _____ Unit: _____

Storage bin: _____ Parking Space/ Covered Parking: _____

Estimated Departure Date: _____

This form is used to release the current Living Unit in the event of a transfer and to modify the Residence and Care Agreement for changes in the Resident's new Living Unit, monthly service package, and Entrance Fee, if any. The term "Community" refers to Windsor Run.

1. I/We hereby release the referenced Living Unit for resettlement. I/We intend to vacate the Living Unit by the indicated Estimated Departure Date and will also relinquish the keys to the Community. I/We also will relinquish the referenced storage bin and parking space as of the same date.

2. To expedite receipt of the next Entrance Fee, the Community has my/our permission to show this Living Unit as of _____. If I/We are still living in the Living Unit, the Community will show the Living Unit only on mutually agreeable dates and times.

3. Per Section 8.5 of the Residence and Care Agreement, I am responsible for payment of the Monthly Service Package, pro-rated and less the Non-Occupancy Credit as applicable, for the vacated Living Unit until I completely vacate, remove all possessions from the vacated Living Unit, and return the keys for the vacated Living Unit to Windsor Run.

4. Per Section 9.4 of the Residence and Care Agreement, I/We will be responsible for the Refurbishing Charges as defined in Section 9.4 to be evaluated post-occupancy; however, depending on the circumstances of release or transfer, all or a portion of the Refurbishing Charges may be covered by the Community (see Section 9.4 for details). This release is for (check one option):

- _____ ILU to ILU
- _____ ILU to ALF/Memory Care/ Nursing
- _____ ALF Unit to any unit
- _____ Memory Care Unit to any unit
- _____ Nursing Unit to any unit
- _____ Any unit to another Erickson managed campus

5. I/ We are making the following transfer:

_____ a. I am/We are moving to Unit _____ at the Community. The new monthly fee shall be \$ _____ and the Entrance Fee

(circle one): remains the same/ is changed to \$_____. I/We have the right to occupy the new Unit from the Occupancy Date for such new Unit to the Departure Date for such new Unit.

_____ b. I am/ We are moving to _____, an Erickson managed community. The Community will provide the Refund per the terms and conditions of Section 7 of the Residence and Care Agreement. I/ We direct the Community to send the Refund to _____ after the final bill at this Community is settled.

i. I/ We direct the Community to automatically deduct the final bill at this Community from the Refund. **Initialing this option constitutes pre-approval of the final bill per the terms of Section 7.6**

ii. I/ We do not want the final bill automatically deducted. I/ We understand that the final bill must be paid separately before the Refund is made to the new community and that this may extend the time for move-in to the new community. **Initialing this option does not constitute pre-approval of the final bill and thus the resident does not receive the Refund Number.**

6. Any electronic signature (including any electronic symbol or process used by a signatory with the intent to sign or authenticate) of this Addendum shall have the same legal validity and enforceability as an original, manual signature to the fullest extent permitted by applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, or any similar state law based on the Uniform Electronic Transactions Act. The parties to this form may sign separately in several counter-parts, all of which together shall constitute one and the same Addendum.

This Addendum is incorporated into the Residence and Care Agreement. All other provisions of the Residence and Care Agreement remain in full force and effect, except as specifically modified in this Addendum, and any other inconsistency between this Addendum and the Residence and Care Agreement shall be governed by the terms of the Residence and Care Agreement.

Date

Signature of Resident or Resident's Representative

If signed by a Representative, Name, Address and Phone # of Representative:

()

Staff Member: _____

Appendix E — Statutory Ratio and Supporting Definitions

This Appendix reproduces certain statutory definitions referenced in Section 35 — Key Financial Metrics. The definitions below are quoted verbatim from N.C. Gen. Stat. §§ 58-64A-5 and 58-64A-145 and are provided for reference only.

Adjusted Net Operating Margin Ratio. “A profitability ratio that measures the margin generated from the core operations of a provider and net cash proceeds from entrance fees. The quotient shall be calculated by dividing the sum of resident operating income and net proceeds from entrance fees by the sum of resident revenue and net cash proceeds from entrance fees.” (G.S. 58-64A-145(1))

Annual Debt Service. “The current year’s capitalized interest cost plus interest expense and scheduled principal payments, excluding any balloon principal payment amounts and any portion of the annual debt service that has been or will be funded by debt for the payment of debt service.” (G.S. 58-64A-5(7))

Average Daily Cash Operating Expenses. “The total expenses of a provider incurred in the conduct of the provider’s business over a defined period of time, divided by the number of days in that period. For purposes of this definition, ‘total expenses’ includes interest expense, but excludes depreciation expense, amortization expense, realized or unrealized nonoperating losses or expenses, bad debt expense, and other noncash expenses.” (G.S. 58-64A-145(2))

Capital Expenditures as a Percentage of Depreciation Ratio. “A capital structure ratio that indicates the level of capital reinvestment by a provider. The quotient shall be computed by dividing total purchases of property, plant, and equipment by total depreciation expense.” (G.S. 58-64A-145(3))

Cushion Ratio. “A liquidity ratio that measures a provider’s ability to pay its annual debt service using its unrestricted cash and investments. The quotient shall be computed by dividing unrestricted cash and investments by annual debt service.” (G.S. 58-64A-145(4))

Days Cash on Hand Ratio. “A liquidity ratio that measures the number of days of cash operating expenses a provider could cover using its existing unrestricted cash and investments. The quotient shall be computed by dividing unrestricted cash and investments by average daily cash operating expenses.” (G.S. 58-64A-145(5))

Debt Service Coverage Ratio. “A capital structure ratio that measures a provider’s ability to pay annual debt service with cash flow from net cash revenues and net entrance fee receipts. The quotient shall be calculated by dividing the sum of total excess of revenues over or under expenses plus interest expense, depreciation expense, amortization expense, other noncash operating losses or expenses, and net cash proceeds from entrance fees, minus entrance fee amortization, entrance fee refunds contractually past due, and other noncash operating gains or revenues divided by annual debt service. Entrance fees received from the initial residents of independent living units at a continuing care retirement community that have been financed in whole or in part with the proceeds

of indebtedness shall be excluded from the net proceeds from entrance fees up to an amount equal to the aggregate of the principal amount of the indebtedness.” (G.S. 58-64A-5(17))

Net Cash Proceeds from Entrance Fees. “Total entrance fees received less entrance fees refunded, and less initial entrance fees received for new independent living units.” (G.S. 58-64A-5(30))

Net Operating Margin Ratio. “A profitability ratio that measures the margin generated from the core operations of a provider. The quotient shall be calculated by dividing resident operating income by resident revenue.” (G.S. 58-64A-145(7))

Operating Ratio. “A profitability ratio that measures whether current year cash operating revenues are sufficient to cover current year cash operating expenses without the inclusion of cash from entrance fee receipts. The quotient shall be computed by dividing total operating expenses, excluding depreciation expense and amortization expense, by total operating revenues, excluding amortization of entrance fees and other deferred revenue.” (G.S. 58-64A-145(8))

Prospective Financial Statements. “Financial forecasts or financial projections, including the summaries of significant assumptions and accounting policies prepared by an independent certified public accountant.” (G.S. 58-64A-5(38))

Resident Expense. “Total operating expenses excluding interest expense, depreciation expense, amortization expense, and income taxes.” (G.S. 58-64A-145(10))

Resident Revenue. “Total operating revenue excluding interest and dividend income, entrance fee amortization, and contributions.” (G.S. 58-64A-145(11))

Unrestricted Cash and Investments. “The sum of the provider's unrestricted cash, cash equivalents and investments, and any provider restricted funds that are available to pay debt or to pay operating expenses. For purposes of this definition, the assets serving as the operating reserve required by G.S. 58-64A-245 shall be considered unrestricted.” (G.S. 58-64A-145(12))

Unrestricted Cash and Investments to Long-Term Debt Ratio. “A capital structure ratio that (i) measures a provider's position in available cash and marketable securities in relation to its long-term debt and (ii) measures a provider's ability to withstand annual fluctuations in cash. The quotient shall be calculated by dividing unrestricted cash and investments by total long-term debt, less the current portion of long-term debt.” (G.S. 58-64A-145(13))

Source: N.C. Gen. Stat. §§ 58-64A-5 and 58-64A-145 (Session Law 2025-58). If the statutory definitions are amended, the statute as amended control