

Residency Agreement

This Residency Agreement (“Agreement”) is entered into this _____ day of _____, 20_____, by and between _____ (“Resident”) and the Gifford Retirement Community, Inc. (“GRC”) in connection with the occupancy of GRC’s anticipated Independent Senior Living homes (“ISL”). The purpose of this Agreement is to describe the services GRC provides for ISL residents, fees associated with the services, and the Resident’s rights and responsibilities.

Section A General Provisions

1. **Accommodation.** Subject to the provisions of this Agreement, the Resident shall be entitled to occupy the Home at ISL designated as Home #_____.
2. **Deposits and Entry Fee.** Please see Exhibit A for additional information regarding the Entry Fee. GRC shall give the Resident at least 60 days’ prior written notice of the anticipated Occupancy Date.
 - a. Forfeiture of Deposits. If the Resident fails to pay the total Entry Fee 30 days prior to Occupancy Date, this Agreement shall terminate and the Entry Fee Deposit received to date shall be forfeited by the Resident as reasonable liquidated damages.
 - b. Monthly Fee. The Resident agrees to pay the Monthly Fee set forth on Exhibit B on the first day of each month without notice. A service fee of 1% per month shall be chargeable by the 15th of each month for all amounts past due and owing.

The Monthly Fee covers the services noted in Section B of this Residency Agreement. The Monthly Fees for Homes shall be set annually by GRC, and shall be subject to increase. As of January 1st of each year, the monthly fee will be increased based on the consumer price index-Northeast, said increase, however not to exceed four percent (4%) per year.

Upon vacancy of the Home, the Resident shall be responsible for the full Monthly Fee for a period of 90 days after vacancy or until occupancy of the Home by a new resident - whichever is less. If the Resident moves within Morgan Orchard Senior Living Community, the monthly fee for the current Home shall end with the start of the new monthly fee.

- c. Entry Fee Refund. Upon vacancy of the Home, GRC shall pay Resident or his/her estate an amount equal to 80% of the lesser of (a) the Entry Fee paid by Resident under this Agreement or (b) the Entry Fee which is charged at the time by GRC to applicants for comparable Homes. The refund shall not be payable until the Home is re-occupied by a new resident. Where applicable, the refund shall be reduced by the following amounts:
 - Unpaid Monthly Fees;
 - Costs for cleanup and repairs beyond normal wear and tear;
 - Expenses of storage and/or disposal of abandoned furniture or personal belongings;
 - Any other amounts that are owed by the Resident to GRC.

- **Compliance with Rules.** The Resident agrees to abide by the established Resident Policies for orderly and safe conduct and related matters which GRC may provide from time to time. A list of these policies will be provided at time of occupancy or as requested.
- **Common Areas.** Resident shall have use of the GRC common areas together with other ISL residents. Additional policies on this area are outlined in the Resident Policy handbook.
- **Pets.** Residents have the option to maintain a pet in the Home, provided the Resident agrees to comply with all policies. Failure to comply with the pet policy will result in termination of this Agreement. If Resident wishes to bring a pet into the Home subsequent to the date of this Agreement, Resident will notify GRC in advance and complete the Pet Addendum prior to bringing the pet into the Home.
- **Rights Not Transferable.** The rights and privileges of the Resident to occupancy of the Home, to use of the ISL, and to the services contemplated by this Agreement are personal to the Resident and cannot be transferred or assigned by the Resident without the prior written consent of GRC, which consent may be withheld in the absolute discretion of GRC.
- **Rights of Entry.** With 24 hour notice to the Resident, the management may enter the Home during reasonable hours to inspect the Home, or to make repairs, improvements, or alternations. In the event of an emergency, entry into the Home may be made by management at any time.
- **Personal Injury and Loss or Damage to Personal Property.** GRC is not responsible to the Resident for loss of property or injury to the Resident resulting from theft, fire, the acts of other residents, or any other cause, unless such loss or injury was due to GRC's gross negligence.
- **Alterations.** The Resident shall not cause or permit any alterations, additions, or changes in or to the Home without first obtaining written consent of GRC, which consent may not unreasonably be withheld. All alterations, additions, or changes to the Home which are authorized by GRC shall be made in accordance with all applicable laws and regulations, shall be at the sole expense of the Resident, and shall become the property of GRC.
- **No Proprietary Interest.** The rights of the Resident under this Agreement are the rights and privileges herein expressly granted, and do not include any proprietary interest in the property and assets of GRC.
- **Indemnification.** The Resident agrees to indemnify and hold harmless GRC, its officers, directors, members and employees, from and against any and all claims, suits, losses, damages, injuries, liabilities and expenses arising out of the negligence or willful misconduct of the Resident or the Resident's invitees or guests.

In the event GRC is required to retain legal counsel in connection with the collection of any fees due to it pursuant to this Agreement, or the enforcement of any provisions of this Agreement, GRC is entitled to recover from the Resident all reasonable attorney's fees incurred by GRC, and, if litigation is instituted, costs of court.

Section B Services

1. **Insurances:** GRC will maintain fire and other casualty insurance, including coverage on the Home. It is required the Resident provide casualty insurance for personal belongings and liability insurance for damage caused by the Resident and his/her agents, at the Resident's own cost.
2. **Utilities.** GRC will pay for all utilities, including water and sewer services, trash collection, heat, air conditioning and electricity. GRC is not responsible for any interruptions in service for reasons beyond GRC control. GRC

will make telephone and cable services available to the Home, but the Resident shall be responsible for any activation charges, equipment charges, and user fees. No personal satellite dishes will be allowed on the building.

- 3. Furnishings.** GRC will provide appliances including: refrigerator, stove with cook top and oven, over hood, microwave, dishwasher, washer and dryer. GRC will maintain such items in appropriate condition. All other furnishings and furniture must be provided by the Resident and are the responsibility of the Resident to maintain and insure.
- 4. Meal Service.** GRC will provide the Resident with seven (7) meals per week – six (6) evening meals and a Sunday brunch. All meals to be served in the common dining room.
- 5. Maintenance.** General maintenance of the structural components and appliances in the Home, and all common areas and grounds will be provided by GRC.
- 6. Parking.** GRC will provide minimally one (1) parking space per Home for residents' vehicle. Additional parking is available for guests and additional resident vehicles. Additional policies on this area are outlined in the Resident Policy handbook.
- 7. Transportation.** Assistance in obtaining transportation is available as needed.
- 8. Housekeeping.** GRC will provide weekly light housekeeping services. These services will be provided by a GRC housekeeping and include vacuuming, light dusting, cleaning bathroom(s) and changing bed linens. Resident is responsible for laundering his or her personal effects.
- 9. Emergency Call Service.** GRC shall provide an emergency call service for medical and other emergencies. The Resident is responsible to appropriately and safely utilize this service.
- 10. Mailboxes.** The US Postal Service will deliver mail to the ISL that will be distributed to provided mailboxes in one central location. Outgoing mail will be picked up by the postal carrier. The Resident is responsible to coordinate the mail address change.
- 11. Additional Services.** At the request of the Resident, GRC will provide or arrange for other services including additional meals, personal laundry, personal care services, health supportive services, and the like at an additional cost.

Section C Termination of Agreement

By GRC

- a. For Cause.** GRC may terminate this Agreement upon 30 days written notice to the Resident for good cause including, but not limited to, any of the following reasons:
 - i. Non-payment of the Monthly Fee within 30 days written notice to the Resident of any delinquency;
 - ii. Failure of the Resident to meet any of his or her obligations under the Resident Policies;
 - iii. Conduct by the Resident which is materially and unreasonably disruptive to the other residents, or to the operation of the ISL; or
 - iv. Violation by the Resident of any policy or regulation promulgated by GRC for the conduct of the Residents.
- b. Without Cause.** GRC may terminate this Agreement:
 - i. Immediately in emergencies and otherwise upon 30 days' written notice if GRC determines, in its sole

discretion, that the state of the resident's physical or mental health renders the Resident unable permanently or for the foreseeable future to maintain himself or herself in the Home, or causes the Resident to present a serious risk to his or her own health, welfare, or safety, or that of the other residents of GRC.

ii. Immediately upon destruction of or material damage to the Home, or the common facilities or grounds.

2. By the Resident.

- a. **Voluntarily.** After the Occupancy Date, the Resident may terminate this Agreement, for any reason upon thirty (30) days written notice to GRC.
- b. **By Death.** The death of the Resident (and if more than one Resident executes this Agreement, the death of the last remaining Resident) automatically terminates this Agreement, and no right of occupancy shall pass to the resident's estate or heirs.

3. Notices. All statements, notices, and mailings of any nature contemplated hereunder shall be sufficient if mailed by certified mail, return receipt requested, addressed to the respective parties at the addresses set forth in this Agreement, unless a party notifies the other by written notice of a new address, in which event such new address shall be used for all subsequent mailings. All Residents are requested to have on file a second address for notification of financial issues if there has been no response from the primary address.

4. No Proprietary Rights; No Landlord-Tenant Relationship. The rights of Residents hereunder and under the Residency Agreement do not include any proprietary interest in the properties and assets. Morgan Orchards and this Residency Agreement shall not be construed to create the relationship of landlord and tenant between GRC and the Residents.

5. Ability to Revoke Agreement. Resident may revoke this Agreement at any time prior to midnight on the seventh day following the signing of this Agreement by notifying GRC of such decision. GRC shall return in full the deposits made by Resident upon receipt of such notification.

In witness whereof the parties have executed this Agreement on the date indicated below. This Agreement automatically renews yearly unless otherwise requested for review by Resident and/or GRC.

Resident Signature Date

GRC Authorized Signature Date

Resident Signature Date

GRC Authorized Signature Date