DISCLOSURE STATEMENT

MAY 30, 2023

WINDSOR POINT INCORPORATED

OPERATING AS

WINDSOR POINT CONTINUING CARE

RETIREMENT COMMUNITY

In accordance with Chapter 58, Article 64 of the General Statutes of the State of North Carolina:

1. This Disclosure Statement may be delivered until revised, but may not be delivered after October 26, 2024.

2. Delivery of the Disclosure Statement to a contracting party before execution of a contract for continuing care is required.

3. This Disclosure Statement has not been reviewed or approved by any government agency or representative to ensure accuracy or completeness of the information set out. (North Carolina statutes do not provide for such governmental approval.)

WINDSOR POINT 2023 DISCLOSURE STATEMENT
TABLE OF CONTENTS

I.	Organization		4
II.	Facility Introductions and Information		4
	A.	Description of Facility/Operations	4
	B.	Physical Facility Owners	4
	C.	Officers & Directors	5
	D.	Management	7
	E.	Residents' Association	8
	F.	Criminal Violation Statement	8
	G.	Location and Description of Physical Property	9
	H.	Facility Features	9
	I.	Estimated Number of Residents	10
	J.	Full Disclosure Practice	10
	K.	Protections Against Conflicts of Interest	10
	L.	Confidentiality	10
III.	Policies		11
	A.	Admission	11
	B.	Health Criteria	12
	C.	Financial and Insurance Criteria	15
	D.	Resident Disclosure Requirements	16
	E.	Change in Health Status	16
	F.	Cancellation or Termination	17 – 19
	G.	Termination by One Resident	20
	H.	Trial Period	20
	I.	Moves within the Facility	20
	J.	Marriages and Second Occupants	22
	K.	Inability to Pay	22
	L.	Subsidy by Windsor Point	22
	M.	Windsor Foundation	23
IV.	Services - General		23 - 29
V.	Kelly Health Care Facility		29
	A.	Health Care Services in the Facility	29
	B.	Free Health Care Days	30
	C.	Emergency Services	31
	D.	Additional Health Care Services	31
	E.	Health Services Not Covered	32

	F.	Pre-existing Conditions	33
	G.	Private Duty Personnel	33
	H.	Authorization	33
VI.	Fees		34
	A.	Application	34
	B.	Entrance Fees/ Processing Fees	34
	C.	Monthly Service Fees	35
	D.	Non-Binding Reservation Agreement	35
	E.	Motorized Personal Vehicle Surcharge	35
		Table of Fees	36– 38
	F.	Monthly Statements	39
	G.	Conditions for Refund	39
	H.	Notification of Fee Increase	40
	I.	Monthly Changes Over Last 5 Years	40
	J.	Average Dollar Amount Changed Over Last 5 Years	41
	K.	Operating Reserves	41
	L.	Facility Development and Expansion	41
VII.		Miscellaneous	42 – 48

Exhibits:

1.	Interim Financial Statements as of 3/31/23	F-1
2.	Audited Financial Statements as of 12/31/22	F-10
3.	Five Year Pro forma and Forecast Notes	F-23
4.	Explanation of Significant Differences from Prior Forecast	F-33
5.	Residency and Care Agreement	50

I. ORGANIZATION

Windsor Point Incorporated was incorporated in the State of North Carolina on July 7, 1995, as a for-profit corporation located at 1221 Broad Street in Fuquay-Varina, NC. A local family involved in the long term care and housing industries for over 50 years developed the community. Windsor Point Incorporated ("Windsor Point ") was organized for the purpose of operating and managing Windsor Point Continuing Care Retirement Community (the "community") a full-service retirement facility designed to fulfill a perceived need for quality retirement living in southern Wake County.

Windsor Point has a Board of Directors that formulates and administers policy and oversees the operation and management of the community.

Windsor Point is privately funded. It has no formal affiliation with and receives no financial support from churches, civic groups or any other organizations. Windsor Point Incorporated assumes all financial and contractual liability.

II. FACILITY INTRODUCTION AND INFORMATION

A. DESCRIPTION OF FACILITY AND ITS OPERATION

Windsor Point is chartered as a for-profit corporation by the North Carolina Secretary of State and is a Sub-chapter "S" Corporation under the Internal Revenue Code. Windsor Point has received a Certificate of Need for nursing home beds with the North Carolina Department of Human Resources. Windsor Point works with the North Carolina Department of Insurance and is licensed to provide continuing care in North Carolina. Windsor Point operates in a manner that meets or exceeds the legislative and regulatory requirements of the Department of Health and Human Resources and the Department of Insurance.

B. PHYSICAL FACILITY OWNERS

The land and buildings that comprise the community are leased by Windsor Point for five years, with two five year extension options, from Stan Johnson & Associates, LLC, a North

Carolina Limited Liability Company whose principal office is at 1221 Broad Street, Fuquay-Varina, North Carolina.

Lease payments are set at $208,100 a month. At this time the lease payments may escalate over the term of the lease in fixed increments of 1% annually. These payments may be reduced if both parties agree to ensure the financial stability of Windsor Point and if it does not cause financial instability to Stan Johnson & Associates, LLC.

C. OFFICERS and DIRECTORS

Windsor Point is a for-profit corporation. The officers of Windsor Point have a financial interest in Windsor Point, so they constantly endeavor to maintain a viable retirement center that meets the needs of all the residents.

President

Florence Johnson: 1221 Broad Street
Fuquay-Varina, NC 27526

Mrs. Johnson is a co-developer of the community. Mrs. Johnson has worked with senior citizens and has been an administrator and owner of several homes for the aged and nursing homes since 1977. Her experience and background in social work bring a wealth of knowledge and ability in operations management, policy development, and operations evaluation. Mrs. Johnson owns 50% of Windsor Point Incorporated. Mrs. Johnson is currently employed by Windsor Point as Director of Operations.

Mrs. Johnson also owns 10% of Stan Johnson & Associates. Part of Phase II and III are financed by a loan from Windsor Point to Stan Johnson and Associates in the amount of $925,062. This money is secured by a Promissory Note. The interest rate is a variable rate based on the monthly Federal applicable rate. The rate is reviewed and revised annually. The interest is payable monthly. Stan Johnson & Associates LLC is paying $33,671.05 a month to Windsor Point.

Vice-President

Robert Evans: P. O. Box 1826
Wake Forest, NC 27588

Mr. Evans is the owner of several retirement homes in North Carolina and currently works at Hillside Nursing Facility in Wake Forest. With his degree in Business Administration and Economics, he has provided Windsor Point with valuable assistance in developing sound business policies. Mr. Evans has always been devoted to the social, economic, and educational betterment of the elderly. He has continually promoted these goals during the development of the community. Mr. Evans owns 12% of Windsor Point Incorporated. Mr.

Evans is not currently employed by Windsor Point and receives no compensation for his services.

Mr. Evans also owns 12% of Stan Johnson & Associates. Part of Phase II and III are financed by a loan from Windsor Point to Stan Johnson and Associates in the amount of $925,062. This money is secured by a Promissory Note. The interest rate is a variable rate based on the monthly Federal applicable rate. The rate is reviewed and revised annually. The interest is payable monthly. Stan Johnson & Associates LLC is paying $33,671.05 a month to Windsor Point.

Treasurer

Sharon Jones: 1221 Broad Street
Fuquay-Varina, NC 27526

In addition to being Treasurer of the corporation, Mrs. Jones plays an active role in the day to day management of Windsor Point as the Associate Director of Finance. She is a native of North Carolina and has lived in Fuquay-Varina since 1992. Her prior experience in the financial industry has truly been an asset to Windsor Point as she handles business situations concerning residents and employees, as well as Windsor Point in general.

Secretary

Kisa Evans: P. O. Box 1826
Wake Forest, NC 27588

Mrs. Evans is a native of North Carolina who graduated from North Carolina State University with a major in Accounting and Business Management. Kisa is a Certified Public Accountant and currently lives in Wake County. She has been involved in the financial aspects of health care facilities since 1999 and is a co-owner of BellaRose Nursing Home in Garner, NC. Her active involvement in the day-to-day management of Hillside Nursing Home in Wake Forest, NC and BellaRose have given her valuable insight into the management of health care facilities.

Directors

Jill Spivey: 1221 Broad Street
Fuquay-Varina, NC 27526

Mrs. Spivey is a native of North Carolina who attended Meredith College and has lived in Fuquay-Varina since 1987. She has served as the executive director of the Fuquay-Varina Chamber of Commerce and later sold real estate in the area. Jill has also served in a variety of

volunteer positions in both her church and the community in general. In 1998 she joined the Windsor Point staff as a Marketing Representative and was promoted to Marketing Director in early 2000. In 2004, Jill accepted the position of Executive Director and has served in that capacity since that time.

Riley Evans: 1442 Campbell Road
Clarkton, NC 28433

Mr. Evans is currently extremely active in long term care and owns and manages several assisted living facilities throughout the state. In addition, Mr. Evans is also a licensed building contractor. He is married with four children and serves as a deacon in his church.

Mr. Evans also owns 5.5 % of Stan Johnson & Associates. Part of Phases II and III are financed by a loan from Windsor Point to Stan Johnson and Associates in the amount of $925,062. This money is secured by a Promissory Note. The interest rate is a variable rate based on the monthly Federal applicable rate. The rate is reviewed and revised annually. The interest is payable monthly. Stan Johnson & Associates LLC is paying $33,671.05 a month to Windsor Point.

Except for those listed above, there is no professional service, firm, association, trust, partnership, or corporation in which the officers, directors or any person who will be managing the facility on a day to day basis who has, or which has in this person, a ten percent (10%) or greater interest, and which it is presently intended shall currently, or in the future, provide goods, leases, or services to the facility, or to residents of the facility, of an aggregate value of five hundred dollars ($500.00) or more within any year. The only exception to this would be the lease by Stan Johnson and Associates to Windsor Point for the building and land.

D. MANAGEMENT

The community is operated by Windsor Point. Windsor Point has an Executive Director, Jill Spivey, who manages the day-to-day affairs of the community. Two Associate Directors have been appointed under the Executive Director to manage the Health Services Division and the Financial Division. There are also three other Directors who oversee Dietary Services, Marketing, and Environmental Services.

Jill Spivey, who has been the Executive Director since 2004, joined the Windsor Point staff in September of 1998. She is a native of North Carolina who attended Meredith College and has lived in Fuquay-Varina since 1987. She has served as the executive director of the Fuquay-Varina Chamber of Commerce and later sold real estate in the area. Jill has also served in a variety of volunteer positions in both the community and her church. In 1998 she joined the Windsor Point staff as a Marketing Representative and was promoted to Marketing Director in

early 2000. In June, 2003, Jill was named Associate Director of Marketing & Independent Relations. In this position, she was responsible for not only marketing, but also became an advocate for the community's independent residents. Jill is a strong leader with proven problem-solving abilities who has great affinity with our residents. Windsor Point is happy to have Jill on the management team.

Sharon Jones is the Associate Director of Finance. Sharon joined the Windsor Point staff in 1998 and is a native of North Carolina and has lived in Fuquay-Varina since 1992. Her prior experience in the financial industry has truly been an asset to Windsor Point as she handles business situations concerning residents and employees, as well as Windsor Point in general.

Amanda Green is the Associate Director of the Health Care Service Division and is a licensed nursing home administrator. Amanda joined the Windsor Point staff in January 2013 and brings with her twenty years of experience as a nursing home administrator. Prior to receiving her administrator's license, Amanda spent seven years as a social worker/admissions coordinator in a nursing home. Amanda is a graduate of East Carolina University and her attention to detail and compassion for the elderly are invaluable to the efficient operation and high standards maintained in our Kelly Health Care Center.

Profiles of other directors are available to the public through marketing.

E. RESIDENTS' ASSOCIATION

Windsor Point has a residents' association that is independent of the management. All residents are eligible for membership. The Association elects officers and holds scheduled meetings. Members of the Association serve on various committees that address resident life. Windsor Point works closely with the members of the Association, its officers, and its committees to ensure that residents have a vehicle to voice concerns or support for policies of the community. The Marketing Director acts as the liaison between the residents' Association and Windsor Point.

A representative of Windsor Point meets with the residents of Windsor Point on a semi-annual basis. Industry trends, rate increases, financial, and all other pertinent information are discussed with the residents at this time.

F. CRIMINAL VIOLATION STATEMENT

No officer, director, or senior staff member of the community has been convicted of a felony, pleaded no lo contendre to a felony charge, or been held liable or enjoined in a civil action by final judgment, where the felony or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property. No officer, director, or senior staff member of the community is subject to a currently effective injunctive or restrictive court order, or within the past five years has had any State or federal license or permit suspended or revoked

as a result of an action brought by a governmental agency or department, where such order or action arose out of or related to business activity of health care, including actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged, or facility subject to Article 64 or a similar law in another state. All members of the Windsor Point staff go through a criminal record check before employment.

G. LOCATION AND DESCRIPTION OF PHYSICAL PROPERTY

The campus of Windsor Point is located at 1221 Broad Street in Fuquay-Varina, North Carolina. It is situated on 17 beautifully landscaped acres. The community is conveniently located within easy access of shopping centers, churches, and community and recreational facilities.

Fuquay-Varina is that rare town that can still brag of quaintness, quietness, friendliness, and security. The town has become renowned for its picturesque beauty and for the treasure hunting that takes place in local antique shops and specialty stores. However, located within minutes of Fuquay-Varina are: four major hospitals, four national universities, several small colleges, three major golf courses, several shopping malls, an international airport, dynamic communities, parks, and lakes, and other superb cultural and health care resources. Fuquay-Varina can truly boast of a growing, vital infrastructure.

H. FACILITY FEATURES

The community consists of a central complex made up of independent living units, health care facilities, and common areas. One of the primary aspects of the campus is the Florence Thompson Community Center. Included in the Community Center is the Clyde Evans Social Hall for cultural events, community affairs, and entertainment. Other amenities include a convenience store, library, media center, access to Wi-Fi, arts and activities room, beauty and barbershop, multi-purpose auditorium, and dining room. Pharmacy services are available for residents and our business center offers check cashing and postal services. Located adjacent to the Community Center is the Kelly Health Facility, which includes on-site physical therapy and a clinic for minor treatments and assessments. The S. Ray Johnson Wellness Center includes an indoor pool, hot tub, fitness room and garden room for residents' relaxation and is available year-round.

Windsor Point consists of 29 cottages, 72 two-bedroom/two-bath apartments, 40 one-bedroom and studio apartments, 40 Independent Plus apartments with limited supportive living services in our Regency Court, 45 nursing home beds, and 55 Assisted Living beds that include a 20 bed Memory Care unit in our Kelly Health Care Center.

The community is designed to promote active, independent retirement living while providing for residents' existing and future health and personal care needs. Windsor Point's on-site health center offers access to comprehensive, quality health care. The Kelly Health Facility

provides short-term and continuing inpatient care for residents. Residents of the community also have access to: physical, speech, and occupational therapy, and dental, optical, and podiatry care. While residents generally have their own personal physicians, limited medical services are provided to independent living residents. High standards are maintained to ensure that residents receive services that are among the best in North Carolina.

I. ESTIMATED NUMBER OF RESIDENTS

The COMMUNITY averages approximately 250 residents.

J. FULL DISCLOSURE PRACTICE

Windsor Point discloses to residents of the community all policies and summary financial information related to the retirement center. This information is provided for residents' personal use only. A current Disclosure Statement is made available to all residents and prospective residents and is filed with the Department of Insurance annually or more often if material facts warrant. This Disclosure Statement is revised on an annual basis.

K. PROTECTIONS AGAINST CONFLICTS OF INTEREST

Tipping and other forms of gratuities to staff of the community are strictly prohibited. However, if approved by the resident council, a gift fund may be set up for Christmas and other special occasions. This is strictly voluntary and money will be given through the council only.

Staff is prohibited from purchasing the property of residents directly from residents, unless approved by the Executive Director. While Windsor Point has a notary on staff, our employees are prohibited from witnessing resident documents. Windsor Point will not take on power of attorney for or guardianship of residents, although Windsor Point is authorized to take on this role if appointed by a court of proper jurisdiction. Windsor Point will help make arrangements for competent, unrelated third parties to provide assistance to or representation of residents in need when family members or other support persons are not available.

L. CONFIDENTIALITY

Residents' records are made available to staff on a need-to-know basis only and in compliance with HIPAA regulations. Financial statements and medical records are kept in controlled areas. No resident records are made available to other residents or to the residents' association, its officers, or its committees.

III. POLICIES

A. ADMISSION

Windsor Point's Admission Committee reviews all applications from prospective residents prior to their admission. Residents must be at least 62 years of age at admission, except that a spouse may be no less than 55 years of age. In special circumstances and solely at the discretion of Windsor Point, an exception may be made to the age requirement. If a prospective resident is under the age of 62 and is accepted for occupancy, the Entrance Fee charged is adjusted on the following basis:

Age	Percent Entrance Fee Increased
62	0
61	1.0
60	2.1
59	3.2
58	4.3
57	5.4
56	6.5
55	7.6
54	8.7
53	9.8
52	10.9
51	12.0
50	13.1

Once a prospective resident has been approved by Windsor Point, the resident will select or be assigned an appropriate Living Unit and a 10% deposit will be required at that time. The Living Unit is specified in writing in the Resident's Agreement, which must be executed by the resident and a representative of Windsor Point. Prior to availability of the unit, Windsor Point will notify the resident and request final qualification information. The resident may choose to defer occupancy until a later date, but such deferral will forfeit the right to occupy the selected Living Unit. If the resident chooses to defer occupancy, the resident will remain on the priority waiting list until a comparable unit becomes available. If the resident chooses not to defer occupancy, the effective date of occupancy is the date when the Living Unit is available for the resident to move into. Until the date of occupancy, Windsor Point reserves the right to re-evaluate resident's admission qualifications and to withdraw its acceptance of the executed Resident's Agreement.

It is the objective of Windsor Point to create and maintain an interesting and stimulating environment through the admission of new residents. Windsor Point will in no case discriminate with regard to a prospective resident's race, religion, ethnic or national origin, sexual orientation, or geographical location.

B. HEALTH CRITERIA

All prospective residents must meet Windsor Point's admission criteria and be approved by the Admission Committee.

1. Independent Living - Prospective residents must be in reasonably good health, mobile, and able to care for themselves at the time of admission. Applicants must, at their own expense, have their physician perform a physical examination in order to complete Windsor Point's Medical Admission Reports within (45) days before the Date of Occupancy.

Prospective residents do not need to demonstrate a history free of diseases, surgery, or hospitalization. However, independent living excludes those persons who are dependently frail and those who require assistance on a continuing basis. Applicants requiring assistance are evaluated on an individual basis and must have made satisfactory arrangements that meet Windsor Point's approval and that will provide for their safety and well-being prior to their admission. Applicants for independent living must be able to demonstrate clarity and alertness to their surroundings and must be able to conduct daily living activities without regular assistance. No resident will be accepted for independent living that has a history of wandering, unless they are accompanied by a spouse who is able to take care of them.

The Admission Committee is responsible for making the decision whether a prospective resident meets these criteria. The Committee may use any of a number of factors to make such a judgment, including physician reports or opinions, medical examinations and tests, and personal interviews. If a resident is admitted to a level of care that is inappropriate, then the resident will be required to move to an appropriate level of care to meet their health care needs.

2. Independent Living – Royal Treatment - For residents who are able to live independently, but would like additional services, Windsor Point offers the Royal Treatment. This service is available in designated sections of the Thompson Building for a specified monthly rate. Residents partaking of this service enjoy around-the-clock availability of a staff member. Royal Treatment residents are entitled to three meals daily, escort service to meals and activities, medication reminders, help with laundry and a staff member available 24 hours a day, as well as all other services offered in independent living.

3. Independent Plus Living Services - In Regency Court, Windsor Point has forty apartments for individuals requiring prompting with daily living activities. Prospective residents interested in this level of care are required, at their own expense, to have their physician perform a physical examination before the Date of Occupancy. This is primarily a prompting unit, designed for residents who are not able to live entirely independently, but still maintain the ability to function well on their own. Independent Plus offers cable television, three meals daily, medication monitoring, laundry service, planned activities and outings, and around the clock staff. Our staff also acts a liaison between the doctor and resident, scheduling appointments and providing transportation. Residents need to be able to take care of most of

their personal needs at this level, like bathing, dressing, transferring, and eating. Residents also must be stable on all medications. Residents are regularly assessed to determine the appropriate level of care.

4. Independent Plus – Care Plus – In Regency Court, should continual help be needed in bathing or dressing, the resident may enroll in our Care Plus program. The service provided here is a temporary service for a specified monthly rate and should not be confused with assisted living services offered in Chelsea or Hayes Hall. We have four spaces available in this program at any given time. When enrolled in this program, a Windsor Point staff person will assist the resident with his or her bathing or dressing. If a resident becomes incontinent, has issues with transferring, mobility, feeding, or excess medication then they will be reassessed and transferred to a higher level of care. Final acceptance for enrollment in this program is made on an individual basis.

5. Health Care

There are three levels of care in Windsor Point's Health Care Center which are located on the first floor of the main building.

A. Chelsea Hall

This is a licensed Assisted Living unit where assistance is offered with daily living activities. This means residents have help with dressing, bathing, eating, transferring, mobility, toileting, and personal grooming as needed. Medicines are kept in a medication room and are administered by qualified staff. All medicines including, over the counter medications, must be approved by the resident's doctor. In some exceptions, residents may self-administer medications and keep them in a locked space in their room if deemed appropriate by their doctor.

Meals are overseen by a registered dietician and we strongly encourage residents to eat in the dining room to increase socialization with other residents.

Activities are planned throughout the week for residents by a qualified Activity Director.

Transportation for medical appointments is coordinated by our Transportation Department. See our Transportation Policy in Section IV Part 12.

Chelsea Hall offers private and semi-private rooms as available. As with any of our Continuing Care residents, Assisted Living residents have the option to move throughout the community depending on their current health care status by following the guidelines set up in the disclosure statement and the continuing care contract.

Cost of therapy, medication, ambulance transport, and personal supplies are the responsibility of the resident. Nursing care is not provided at this level.

B. Hayes Hall

Hayes Hall is our secure memory care unit and services there are individualized based on each resident's needs.

This is a licensed Assisted Living unit where assistance is offered with daily living activities. This means residents have help with dressing, bathing, eating, transferring, mobility, toileting, and personal grooming as needed. All aides have monthly in-services on dealing with the special needs of memory care.

Medicines are kept in a medication room and are administered by qualified staff. All medicines including over the counter medications must approved by the resident's doctor.

Meals are overseen by a registered dietician and we strongly encourage residents to eat in the dining room which is located in Hayes Hall. We believe this is beneficial, especially in Hayes Hall, to keep residents connected and help maintain awareness as long as possible.

Memory Care appropriate activities are planned throughout the week for residents by a qualified Activity Director.

Transportation for medical appointments is coordinated by our Transportation Department. See our Transportation Policy in Section IV Part 12.

As with any of our Continuing Care residents, Assisted Living residents have the option to move throughout the community depending on their current health care status by following the guidelines set up in the disclosure statement and the continuing care contract.

The exception to this is in Hayes Hall, which is our secure memory care unit. In Hayes Hall we care for residents who wander and have social issues that require a locked unit. Sometimes when residents no longer wander or their social issues are no longer an issue, residents may be asked to move to Chelsea or Devon Halls to make room for someone who needs that particular level of care.

Cost of therapy, medication, ambulance transport, and personal supplies are the responsibility of the resident. Nursing care is not provided at this level.

C. **<u>Skilled Nursing</u> -** services are available in Devon Hall. This unit offers nursing care around the clock with licensed staff. Speech, physical and occupational therapy is available on-site when prescribed by the resident's physician. Meals are overseen by a registered dietician, including special diets and snacks which are provided daily. Unless approved by the resident's physician, all medication is kept locked in the medicine room and administered by certified staff. Room and board, cable TV, most scheduled transportation, activities, personal grooming, meals, snacks, and general nursing care are all covered in the daily rate. Costs of therapy, medication, ambulance transport, and personal supplies are the responsibility of the resident.

C. FINANCIAL AND INSURANCE CRITERIA

Applicants are required to provide a comprehensive confidential financial statement including income, assets, and debts acceptable to Windsor Point demonstrating that the applicant has sufficient financial resources. Verification of financial information by banks, trust officers, etc. is required. Windsor Point has a committee review all information and make a determination of financial eligibility. However, it is the responsibility of every resident to seek financial advice on their ability to meet future costs and identify any personal financial risks, if any. In no way is Windsor Point financially liable for debts incurred by residents due to lack of funds.

A prospective resident must be enrolled in, or apply for and secure, the Hospital Insurance Benefits Program under Part A of Public Law 89-67 (Medicare) or an equivalent program. The resident must also secure and pay the premium for the Medicare Supplementary Medical Insurance Benefits Program under Part B of Public Law 89-67 and/or any other public hospital or medical insurance benefits program which may be enacted as a successor or supplement to Medicare. In addition, it is recommended that the resident maintain supplemental private health insurance.

None of the above insurance programs, however, take into account the costs incurred for long-term care. For this reason, it is recommended that all residents apply for long-term care insurance. Windsor Point may assist residents in applying for this insurance. When residents utilize long-term care insurance, it is the resident's responsibility to file for reimbursement payments from their insurance company.

If a prospective resident is not eligible for Medicare coverage or Long-Term Care Insurance, the resident should apply for and maintain similar private health insurance coverage which is acceptable to Windsor Point.

The resident must authorize, as necessary, any provider of health care services, including Windsor Point, to receive reimbursement under the insurance required by Windsor Point. The resident must assign any benefits accruing to the resident under the insurance to the appropriate provider of health care services. If the resident is entitled to medical care by a government agency, the resident must make application for such care or payment. The resident must also grant and deliver to Windsor Point a limited Power of Attorney for the purpose of permitting and instructing Windsor Point to act as the resident's agent or attorney-in-fact in all matters relating to the above insurance benefits.

Any insurance benefits paid from Federal, State, or other sources will, (as between Windsor Point and the resident), be paid or credited first against any payment made by Windsor Point for such services, for whatever reason; next against any charge due from the resident in respect to the covered health care services; next, against any payment made by the resident for the health care services involved.

Residents are required to authorize Windsor Point to release medical records for insurance purposes. HIPAA regulations will be followed. Residents must also provide Windsor Point proof of appropriate insurance coverage at all times. **Windsor Point is in no way responsible for any medical costs or monthly fees if insurance or Medicare refuses to pay for any reason. The resident is always responsible for charges incurred.** Windsor Point does accept insurance payments; however payment is the responsibility of each resident and is due on the first of each month regardless of when insurance reimbursements are received. Any overpayment of insurance will be credited to the resident's account. Any lapse in insurance or failure to obtain insurance is not the responsibility of Windsor Point. The resident will be responsible for all charges incurred.

Windsor Point may, from time to time, request updated financial statements and verification of financial status.

It is the resident's responsibility to check with Windsor Point to make sure that the insurance they carry is accepted by Windsor Point. At this time Windsor Point does not accept any HMOs or TriCare for primary payment.

D. RESIDENT DISCLOSURE REQUIREMENTS

All residents must reveal their complete financial position to Windsor Point during the application process. Windsor Point is not responsible for the financial support of or the cost of care for residents. Transfer of assets or monies that adversely affect the resident's financial welfare, or incomplete, false, or misleading financial disclosures are grounds for termination of the Resident Agreement, regardless of whether a resident has paid the Entrance Fee or any Monthly Service Fees which are due***. Any substantial change in financial status should be disclosed promptly****.*

E. CHANGE IN HEALTH STATUS

It is the responsibility of the resident or resident's responsible party to disclose any change in health status or any occurrences that would directly affect the welfare and care of the resident. Windsor Point assumes no responsibility for undisclosed health issues. Failure to disclose health changes may require the resident to leave Windsor Point.

While the change in health status may be cause for automatic cancellation of the original resident's agreement, Windsor Point may allow such a resident to enter directly into the Kelly Health Facility if a new Resident Agreement is executed and the appropriate entrance fee is paid.

F. CANCELLATION OR TERMINATION

1. Prior to Occupancy – Terms for Automatic Cancellation

The Resident Agreement may be automatically terminated prior to occupancy if any of the following events, as listed, occur.

1. A health reversal which would make the Resident ineligible, in the opinion of Windsor Point, to occupy the designated unit. While the change in health status may be cause for automatic cancellation of the original resident's agreement, Windsor Point may allow such a resident to enter directly into the Kelly Health Facility if a new Resident Agreement is executed and the appropriate entrance fee is paid.
For married prospective residents requesting dual occupancy, if the medical condition of one spouse changes prior to the date of occupancy, that spouse may be admitted directly into the Kelly Health Facility, pending approval of Windsor Point's Medical Director. However, the remaining spouse must move into an Independent Living Unit, Independent Plus Unit or an Assisted Living Unit.

2. This Agreement will be automatically terminated upon the death of any resident, except that in the event of dual occupancy of the Living Unit, this Agreement shall continue in effect until the death or withdrawal from Windsor Point of the second resident.

3. Windsor Point may cancel, by written notice, any executed Resident Agreement within thirty (30) days of the execution of the Agreement if, within the judgment of Windsor Point, the resident's physical or emotional condition will not permit adaptation to the Community. If cancellation does occur, any upgrades, customization, and/or any decorative items that must be replaced in order to sell the unit will be charged to the resident. This includes carpet cleaning, painting, etc.

In the event of any of the above reasons for an automatic cancellation of the contract prior to taking residency at Windsor Point, all deposits held by Windsor Point will be returned within thirty (30) days of the cancellation, less a service charge not to exceed the greater of one thousand dollars (1,000.00) or two percent (2%) of the entrance fee plus any customization as explained below.

2. Prior to Occupancy – Other

The party contracting with the provider may rescind the contract within 30 days following the later of the execution of the contract or the receipt of a disclosure statement. The resident is then entitled to a full refund of any Deposit or Entrance Fee paid to Windsor Point less a service charge not to exceed the greater of one thousand dollars (1,000) or two percent (2%) of the entrance fee. If cancellation does occur, any upgrades, customization, and any decorative items that have to be replaced in order to sell the unit will be charged to the resident. This includes carpet cleaning, painting, etc. If the resident cancels the contract after

the thirty (30) day period, the refund may be delayed until a replacement resident is obtained for the unit.

The resident to whom the contract pertains is not required to move into the facility before the expiration of the 30 day period. All Independent residents are encouraged to take occupancy of a unit no later than thirty (30) days after signing the Resident Agreement. However, no unit will be held more than 45 days after signing the Resident Agreement. After 45 days, the balance of the entrance fee is due and monthly fees will be assessed. (Independent Plus residents or Health Care residents are required to move in within 31 days of signing the Resident Agreement).

3. After Taking Occupancy –

Date of Occupancy is defined as the date monthly fees are assessed and entrance fees begin to be amortized whether or not the resident has moved into the unit.

Windsor Point may cancel, by written notice, any executed Resident Agreement within thirty (30) days of the execution of the Agreement if, within the judgment of Windsor Point, the resident's physical or emotional condition will not permit adaptation to the Community. If cancellation does occur, any upgrades, customization, and any decorative items that have to be replaced in order to sell the unit will be charged to the resident. This includes carpet cleaning, painting, etc.

The resident may terminate this Agreement upon giving Windsor Point thirty days advance notice in writing. The notice requirement shall be waived, however, during the sixty (60) day Trial Period described below in Section H. Upon termination, the resident may be due a refund under the provisions set forth in Section VI-G.

Windsor Point may terminate any Resident Agreement if the resident: fails to pay the Monthly Service Fee or other proper charges; fails to maintain insurance coverage required by Windsor Point; fails to provide Medicare, other insurance, or personal reimbursement that is owed to Windsor Point or other health care providers; fails to follow standard policies of Windsor Point; engages in activities or conduct which cause harm to occupants of Windsor Point; or, provides incomplete, false, or misleading financial, medical, or other information during or subsequent to the application process.

Windsor Point will give the resident 30 days to find alternative living arrangements and to withdraw from Windsor Point, unless Windsor Point determines that circumstances require a more immediate withdrawal. An example of circumstances that would preclude a 30 day notice would be if the resident was deemed harmful to themself or others, was non-compliant with Windsor Point guidelines or regulations, or was unable to care for themself and refused care from Windsor Point, or if Windsor Point was unable to provide care for the

resident. No matter the circumstance, no refund is given to a resident until Windsor Point receives an Entrance Fee from a replacement resident that is acceptable to Windsor Point. If the resident chooses to leave before the end of this thirty day period, the resident will be charged for these days or this amount will be deducted from their refund.

Residents may also terminate the Resident Agreement after the Trial Period by giving Windsor Point thirty (30) days advance notice in writing. If the resident chooses to leave before the end of this thirty day period, the resident will be charged for this time or this amount will be deducted from the refund. Upon termination, if the resident is due a refund, the refund is given 30 days after receipt of an Entrance Fee from a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point. If termination does occur, any upgrades, customization, and any decorative items that must be replaced in order to sell the unit will be charged to the resident, including carpet cleaning, painting, etc. For additional information on refunds after a resident has taken occupancy, please refer to Section VI-G.

Monthly Service Fees paid to Windsor Point are not refundable to the resident in part or in full after occupancy by resident except for residents living in Kelly Health Care.

Upon termination, the resident is required to vacate the Living Unit and leave it in good condition, except for reasonable wear and tear. The resident is liable to Windsor Point for all costs incurred in restoring the Living Unit to good condition. **The termination date for computing any refund or any outstanding payments due or accrued is the date the resident's Living Unit is actually vacated and accepted by Windsor Point.**

No refund is made by Windsor Point to any resident until all fees and charges for which the resident is responsible have been paid. Windsor Point is authorized to apply the refund against any such fees and charges. Upon payment of the refund to the resident, less any deductions for outstanding fees or charges Windsor Point will have no further obligation to the resident or the resident's heirs, executors, administrators, or assigns.

Any refund of entrance or monthly fees will be made payable to either the resident, the resident’s estate, or the clerk of court unless a court order indicates otherwise. Any legal costs incurred by Windsor Point in order for a resident to receive a refund will be deducted from that refund or billed to the resident or the resident’s responsible party.

No refund is given to a resident until Windsor Point receives an Entrance Fee from a replacement resident that is acceptable to Windsor Point.

G. TERMINATION BY ONE RESIDENT

If any two residents enter into the Resident's Agreement jointly and one resident later decides to terminate the Agreement, any refund due to the terminating resident is paid only upon the receipt of a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point.

H. TRIAL PERIOD

Residents who pay an Entrance Fee have the first 60 days of occupancy as a Trial Period. If the resident withdraws from Windsor Point within the Trial Period, the resident is guaranteed a full refund of the Entrance Fee less any outstanding charges due Windsor Point and the amount necessary to restore the Living Unit to a condition acceptable for reoccupation of the unit, plus a service charge not to exceed the greater of one thousand dollars ($1,000.00) or two percent (2%) of the entrance fee. This will include any customization or decorative items such as wallpaper that has to be replaced in order to resell the unit or carpet cleaning or replacement, or painting. Refunds are payable to the resident 30 days after receipt of an Entrance Fee from a replacement resident acceptable to Windsor Point This refund is based on resale of the original unit the resident occupied at Windsor Point.

Monthly Service Fees paid to Windsor Point during the Trial Period are not refundable to the resident in part or in full after occupancy by resident except in Kelly Health Care.

I. MOVES WITHIN THE FACILITY

Windsor Point can require a resident to move from their current level of care to another level if they need more or less care.

The decision to transfer any resident is preceded, where possible and practical, by consultation with the resident, the resident's family, or a party responsible for the resident. *However, Windsor Point reserves the exclusive right to make the final decision for all residents.* A transfer will not affect the Resident Agreement executed by the resident, except as it refers to the specific Living Unit assigned to the resident.

If the resident has to move from one level to the next within one year then the resident will be responsible for the cost of bringing the unit up to a condition to resell.

Any resident may be moved to an accommodation outside of the community if the resident needs care that is beyond the scope of the community and its personnel. One example would be an extended hospitalization for an acute illness. Another example would be institutionalization for mental illness or a contagious or dangerous disease.

For the duration of the resident's stay outside of the community, the resident is responsible for paying the Monthly Service Fee. Should the move become a permanent one, the Resident Agreement is terminated and the resident will no longer be responsible for paying the Monthly Service Fee. Any refund due to the resident is returned in accordance with the guidelines set forth above.

Windsor Point reserves the right to change the Living Unit of any resident to meet the requirements of any law or to meet the regulations of the Fire Department, Department of Public Health, the Division of Facility Services, or any other duly constituted authority or agency.

If a resident relocates to an Independent Plus Unit or the Kelly Health Care Center, the resident is responsible for the Monthly Service Fee of the Living Unit with the higher Monthly Service Fee. If the Living Unit that is being vacated is not released to Windsor Point within ten (10) days after the transfer, the resident is responsible for the Monthly Service Fee of both Living Units until the vacated Living Unit is released by the resident to Windsor Point and accepted by Windsor Point for re-occupation.

If any resident relocates to another Living Unit within the same level, the resident is responsible for the Monthly Service Fee of the new Living Unit from the date the new Living Unit is ready for occupancy. The resident is also responsible for the Monthly Service Fee of the Living Unit being vacated until the Living Unit is released by the resident to Windsor Point and accepted by Windsor Point for reoccupation. In addition, the resident is also responsible for the cost of the move and any cost of bringing the unit being vacated up to resale condition.

If any resident accepts an interim Living Unit with the approval of Windsor Point and plans to relocate to a selected Living Unit when it becomes available, the resident will pay the Monthly Service Fee for the interim Living Unit until it is released and accepted by Windsor Point. At that point, the resident will begin paying the Monthly Service fee for the newly available Living Unit. In addition, unless otherwise agreed upon by Windsor Point, the resident will be responsible for all moving costs.

Windsor Point will provide assistance as residents move to different levels of care within the community. It is the responsibility of the resident (or the resident's family) to have all items to be moved packed safely in boxes and labeled appropriately. Depending on the size or amount of furniture to be moved, there may be a nominal fee charged for the move.

During any move within the community, if relocation exceeds ten days, the resident shall be responsible for the Monthly Service Fees of both Living Units beginning on the eleventh day. Until **all** items have been removed from the apartment/cottage, the unit is still considered to be occupied. Any adjustment to the Monthly Service Fee is made when the resident accepts the new Living Unit in writing. If the Entrance Fee for the new Living Unit is higher than the Entrance Fee for the Living Unit being vacated, the resident must pay the difference between

the two Entrance Fees. However, if the Entrance Fee for the new Living Unit is the same or less than the Entrance Fee for the Living Unit being vacated, then no refund of the difference is made to the resident.

J. MARRIAGES AND SECOND OCCUPANTS

If a resident is the sole occupant of a Living Unit and wishes to invite another resident of the community to share the Living Unit, the dual occupancy must be approved by Windsor Point. If approval is given, there is no adjustment of the Entrance Fees paid by either party. However, the Monthly Service Fee will convert to the dual occupancy rate for the shared Living Unit.

If a resident is the sole occupant of a Living Unit and wishes to invite a non-resident to share the Living Unit, the prospective resident is required to undergo the standard application process and to execute a Resident Agreement. If approved by Windsor Point, the new resident must pay one-half of the published occupancy Entrance Fee for that Living Unit. The Monthly Service Fee for the shared Living Unit will convert to the dual occupancy rate. The above policy includes residents who marry non-residents of the community. If the prospective resident does not meet all of Windsor Point's Admission Criteria, Windsor Point may grant admission subject to limited financial and service responsibilities on the part of Windsor Point; or the resident may choose to leave Windsor Point at which time a refund will be given when the vacated unit as been resold.

K. INABILITY TO PAY

If a resident fails to pay the Monthly Service Fee after notice of delinquency has been given and satisfactory payment has not been made, Windsor Point reserves the right to terminate the Resident Agreement. Any refund due to the resident is returned in accordance with the guidelines set forth in the resident's Contract.

L. SUBSIDY BY WINDSOR POINT

If a resident is unable to continue to pay a part or all of a Monthly Service Fee, Windsor Point at its sole discretion may subsidize the resident's Monthly Service Fee in part or in whole. Of course, Windsor Point will only consider subsidy where it poses no financial risk to Windsor Point or to the community.

Should Windsor Point subsidize a resident's Monthly Service Fee or any other cost for services or care which Windsor Point is not obliged to pay on behalf of the resident: then the aggregate amount of subsidy furnished by Windsor Point to the resident will become a debt of the resident and is payable by the resident or the resident's estate. No interest is added to this debt.

Windsor Point may from time to time request financial statements from any resident whose monthly service fee is subsidized by Windsor Point.

If a resident's sources of income fail to meet financial obligations, the resident is expected to make every effort to obtain assistance from family or other available means, to the extent that the resident is eligible to receive such assistance. When no other financial assistance is available the resident Agreement may be terminated.

M. WINDSOR FOUNDATION

The Windsor Foundation is a non-profit foundation that is overseen by Florence Johnson, Jill Spivey - Windsor Point's Executive Director, and the current president of the Windsor Point Resident's Association. The purpose of the Windsor Foundation is to promote the physical, economic and social well-being of the residents of Windsor Point as well as to be an outlet for memorial gifts. From time to time residents or residents' families may make non-taxable donations to the Foundation. These donations may be used, upon the approval of the directors, to subsidize a resident's stay at Windsor Point.

IV. SERVICES

In exchange for the Monthly Service Fee, Windsor Point will provide a resident with certain specified services. Additional services not covered by the Monthly Service Fee will require separate payment by the resident. Both types of services are described below:

1. **Meals**: The Monthly Service Fee covers 365 meals a year per resident in the Independent Living Units. Independent residents are required to use one fourth of these meals per quarter. Any meals not used during a quarter will be forfeited. Up to six carry-over meal credits a month may be used for family or friends or other residents. Guest meal credits must be carried over from meals missed in the previous months.

   For residents of Regency Court Independent Plus and the Kelly Health Facility, three meals per day will be provided in their designated dining rooms. A continental breakfast is also included for independent residents in Royal Treatment. No meal credits will be issued to the residents of Regency Court or Kelly Health Care.

   Windsor Point makes additional meals available to the Independent Living Unit residents at published charges. In Kelly Health Care when a physician prescribes special diets, they are made available to the resident at no extra charge. Dietary supplements, such as Ensure, Sustacal, etc. are considered treatment and charged accordingly.

   Meals may be delivered to Independent Living Units on a short-term basis, subject to approval from Windsor Point. Otherwise, there is a small charge for meal delivery to Independent Living Units. All residents are encouraged to eat in the main dining room

where wait staff is available for residents who need assistance. Menu Service is available at most meals.

Guests are welcome at all meals except certain holiday dinners and special functions which require reservations and are for Windsor Point residents only. There is an additional charge for guest meals. A catering service is available to residents at cost and private dining is available by appointment with a special charge for wait staff and clean-up.

At least two entrees are available at each meal. Variety is a major consideration in menu design so that a wide range of personal tastes can be accommodated. Also, resident input is requested so that meals reflect the preferences of members of the community.

Windsor Point utilizes the services of a Registered Dietitian so that nutritional programs can be offered to residents and so that therapeutic diets for residents of the Kelly Health Facility can be prepared.

Reservations for guests are required twenty-four hours in advance. Policies for Regency Court and Kelly Health Care residents eating in the independent dining room are available from the marketing department.

2. **Utilities:** The Monthly Service Fee includes the cost of electricity, water, and sewer service, light, heat, and air conditioning. However, each resident is responsible for the cost of telephone and cable services. In Regency Court and Kelly Health Care Center basic cable is included in monthly fees.

3. **Furnishings**: Windsor Point provides carpeting, blinds, range, refrigerator, oven, microwave, and dishwasher for each Independent Living Unit, as specified in published literature. Washers and dryers are available in most units. Light bulbs are supplied and changed in all outside fixtures by Windsor Point Staff. If requested by resident, light bulbs in Independent units are changed by maintenance staff and are available at cost. All other Living Unit furnishings and furniture are provided by the resident.

   Rooms in the Kelly Health Facility are furnished with all appropriate items. A resident may choose to substitute personal furnishings, subject to approval by Windsor Point.

4. **Security, Fire, and Emergency Services**: Windsor Point provides 24-hour security services for the living areas and grounds of the community. Personnel are available to respond to emergency calls at all times. They patrol the grounds and check unfamiliar vehicles or pedestrians. Finally, security staff and key personnel have passkeys that allow entry into all Living Units for emergency purposes. A daily check system is implemented to ensure the health and welfare of all residents.

   Each Independent Living Unit and all areas of the Kelly Health Facility are equipped with smoke alarms and emergency call systems. Also, all public areas have a smoke detector and

are connected to a central panel monitored by staff of the community. Fire extinguishers are located in all public areas, and fire drills are conducted routinely in the Kelly Health Facility.
An emergency generator system is used to provide back-up power to the Kelly Health Facility and to selected kitchen equipment so that there can be limited service during a power outage.

5. **Housekeeping**: All residents are expected to maintain the Living Units in a clean, sanitary, and orderly condition. However, several routine housekeeping services are included in the Monthly Service Fee, specifically vacuuming, dusting, and cleaning of units once per week. Time spent on each Living Unit will vary with the size of the Living Unit. Windsor Point determines time spent. Additional housekeeping services may be purchased at published rates, subject to approval of Windsor Point.

   In our Regency Court Units, housekeeping services are provided on a weekly basis and for incidentals as needed. Housekeeping services are provided daily in the Kelly Health Facility for no additional charge.

   Windsor Point provides pest control in our facility on a quarterly basis at no extra charge to the resident. If additional treatment is required, residents may be responsible for the cost, depending upon the circumstances.

6. **Laundry**: The Monthly Service Fee includes the weekly changing of resident's bed linens, if desired by a resident. Windsor Point can make arrangements for a resident's personal laundry or dry cleaning for an additional charge. However, personal laundry (but not dry cleaning) is provided at no cost to residents of the Kelly Health Facility. Laundry for Regency Court is picked up and returned once a week.

7. **Maintenance:** Windsor Point maintains and repairs the community's property and equipment in the Living Units and the common facilities at no extra charge to the resident unless repairs are necessitated due to the actions of the resident or persons under the resident's charge. Work orders will be scheduled according to their priority.

   Windsor Point will periodically redecorate Living Units and common areas when deemed necessary by Windsor Point. Any other redecoration scheduled by the resident will require management approval and be at the resident's expense. Handyman services may be purchased through the management staff. Repairs, maintenance, and replacement of resident's own property will be the responsibility of the resident. Light bulbs will be replaced by maintenance. Bulbs are available at cost for the cottages and apartments.

   Any structural or physical change of any kind such as painting, wallpapering or replacement of floor treatments or appliances within the living accommodations will be made only after approval by management. The resident is responsible for the cost of any changes made for aesthetic reasons and is required to use contractors approved or provided by Windsor Point.

All items, attached to walls, except pictures, will remain. The cost of any change requested by the resident will be borne by the resident unless otherwise agreed to in writing. The value of any such improvements will not be considered when computing a refund formula and the Corporation will have vested ownership in such improvements.

Residents who smoke in his/her apartment or cottage, are responsible for environmentally cleaning their unit on a quarterly basis (or more often, if deemed necessary by Windsor Point management) to remove the scent of smoke from the air. The cost of this cleaning will be paid for by the resident.

8. **Trash Removal**: Windsor Point removes trash from designated trash collection areas located throughout the community. Collection times and places will be given to each resident upon entrance into the community. All independent living residents are responsible for transporting personal refuse to the designated collection areas. Recycling is the responsibility of each resident who wants to participate and bins for recycling are available on the property.

   In Regency Court and Kelly Health Care, trash is picked up as needed. Recycling is the responsibility of each resident who wants to participate and bins for recycling are available on the property.

9. **Grounds**: The Monthly Service Fee includes the basic maintenance of all outdoor spaces, and the provision of attractive landscaping for the grounds of the community. A resident may purchase additional landscaping services from Windsor Point. Personal planting of flowers, trees, or shrubs must be approved by Windsor Point, is at the resident's own expense, and must be maintained by the resident.

10. **Storage**: Limited, separate, locked storage space is assigned to specific units for residents residing in the main building. Enclosed storage is connected to each Living unit in the freestanding apartment buildings.

11. **Parking**: Each Living Unit will be provided with one parking space at no extra charge. Due to limited space, no RVs, boats, trailers, or abandoned vehicles can be stored on the grounds.

12. **Scheduled Transportation**: The community provides **scheduled** transportation to shopping areas at no extra charge. Most transportation for activities scheduled by Windsor Point is at no additional expense. Pre-scheduled transportation to medical appointments within a fifteen-mile radius is also provided for residents on a weekly basis. Pre-scheduled transportation for medical appointments outside this fifteen-mile area is provided twice a month. Every effort is made to accommodate specific times, however, it may be necessary to re-schedule some appointments to a time or date when transportation is available. There may also be a fee for mileage outside a 15 mile radius or excessive medical appointments.

Residents who organize special activities or who require transportation at unscheduled times may be required to pay an extra fee. There may be a nominal fee for residents that have continual medical appointments. (Ex. Dialysis three times a week)

Many residents use Windsor Point transportation. This means, at times, residents have to wait to be picked up at appointments. Every effort is made to provide timely and efficient transportation to all our residents. **All transportation provided by Windsor Point must be scheduled in advance through the transportation director.** All residents must sign a transportation waiver in order to take advantage of this service.

Transportation to appointments for services (such as therapy) already offered at Windsor Point will be provided according to availability on the transportation schedule and will incur a nominal charge per trip.
Windsor Point offers an accompaniment service for residents who have medical appointments outside of the community and who need assistance. The service is available by appointment only, and there is a nominal charge per trip. The cost of any transportation by ambulance or other transportation service is the responsibility of the resident.

13. **Community Facilities**: The community offers numerous common areas for use by residents. These include a multi-purpose auditorium, a large dining room, lounges throughout the complex, library, activity rooms, lobby areas, a business center, a pharmacy, a convenience store, a wellness center with indoor pool and exercise room, and a beauty and barber shop. All of these facilities are available to residents at no extra charge, except for special dining arrangements or special group activities or services provided. Some charges may be necessary for the use of supplies in arts and crafts areas and for store purchases. Such charges are published in Windsor Point literature.

14. **Community Activities**: The community provides programs and opportunities designed to meet the physical, social, and psychological needs of residents. Most of these activities are free to those who wish to participate. However, special trips or cultural events may require a charge to the resident.

15. **Pets**: Residents are allowed to keep pets that are appropriate in size, subject to prior approval by Windsor Point. Residents must abide by administrative rules regarding pets and must have a signed, written plan for disposition of the pet if the resident becomes unable to care for the animal. At a minimum, residents are required to maintain necessary vaccinations as required by law; to keep pets on a leash at all times when on public grounds; to clean up after pets; and, to pay for any damage caused by pets to property of the community. Windsor Point reserves the right to deny any pets, if it is determined that the resident can no longer care for the pet or if the pet presents a problem to the community. An extensive pet policy is executed upon entrance to Windsor Point.

16. **Deliveries**: Residents may arrange for newspaper and magazine deliveries or may utilize services such as UPS or Federal Express at their own expense.

17. **Information Resources**: Residents are informed of events in the community through a variety of sources. Many of our resident receive information through email, but there are also bulletin boards, bulletins, activity calendars, and newspapers placed throughout the complex. The Residents' Association will also be kept informed of current and future events.

18. **Insurance**: Windsor Point maintains insurance coverage for the community's facilities and equipment. Residents need to maintain insurance coverage for personal property. Policies are readily available and are similar to policies issued to renters.

19. **Mail**: Each resident in independent apartments is assigned an individual, locked postal box. Cottages have mailboxes outside the cottage. Items too large to be placed in the mailbox may be picked up at the receptionist's desk. Mail for residents of Regency Court and the Kelly Health Facility is handled through a central mail receptacle; such mail is picked up and distributed on a daily basis to each room.

20. **Alcoholic Beverages**: Independent Residents are allowed to consume alcoholic beverages in their units and in designated areas at designated times. It is resident's responsibility to limit their usage of alcohol so they will not be impaired. It is also the resident's responsibility to confer with their doctor to ensure that their prescribed medicines do not have an adverse reaction to the consumption of alcohol. It is the resident's responsibility to ask for help if he/she inadvertently drinks too much. Residents are responsible for any destruction to property or injury to themselves or others due to alcohol use. Windsor Point reserves the right to limit alcohol use if it determines there is a problem with a resident's alcohol consumption. Residents may be asked to sign a waiver if they choose to consume alcohol.

21. **Drugs**: Prescription and non-prescription drug costs are the responsibility of each resident. All residents may purchase prescription drugs from whatever source they choose. However, in Regency Court and the Kelly Health Facility, medication is usually purchased from the Windsor Point Pharmacy, a private pharmacy on the facility premises. If residents choose to use another Pharmacy, while in Regency Court or the Health Care Facility, the resident's family will be responsible for obtaining refills. Refills should be provided in time to ensure the resident has the needed medication. If it becomes necessary for Windsor Point to provide medication for residents, the resident will be responsible for these charges.

22. **Keys:** Upon taking occupancy at Windsor Point all residents are given keys to their apartment or cottage as well as their storage unit. Upon vacating this unit, all keys must be returned to a member of Windsor Point management staff. If the resident is changing units on Windsor Point property, keys will be given for the resident's new unit. Monthly fees will be adjusted to that of the new unit only when keys to the resident's old unit have been returned to Windsor Point management.

    There will be a $5.00 charge for replacement keys and a $150 charge for rekeying locks to apartments or cottages.

23. **Royal Treatment** Royal Treatment is available on certain floors of the Thompson Building for a specified monthly rate published in this Disclosure Statement. Residents partaking of this service will be entitled to a continental breakfast and a choice of lunch or dinner daily, escort service to meals and activities, medication reminders, help with laundry and a staff member available by cell phone 24 hours a day as well as all other services offered in independent living.

24. **Health Care Services:** Services provided by Windsor Point which are included in the base fee for Health Care Residents are: living accommodations, three meals daily plus snacks, basic nursing care, activities, housekeeping, scheduled transportation and all utilities except for telephone service.

25. **Health Care Services Available at Extra Charge:** Services that are not covered by Windsor Point for Health Care Residents are: physicians, therapy, ambulance transportation, medical/surgical specialists and practitioners, hospital costs, all drugs and special treatments, wheelchairs, hair salon services and basic supplies.

V. KELLY HEALTH CARE FACILITY

WINDSOR POINT has received a Certificate of Need from the North Carolina Department of Human Resources. The Certificate of Need provides the authorization for license of the 45 skilled nursing beds and 55 Assisted Living beds. These beds, along with a clinic and support spaces, are housed in the Kelly Health Facility. In addition to the continuing care contract, the Kelly Health Care Facility is governed by the guidelines of the Division of Facility Services. The skilled nursing unit is Medicare certified. If a resident moves directly into an Assisted Living bed in the Kelly Health Care Facility, there will be an entrance fee as disclosed on page 37.

This disclosure statement applies to all residents of Windsor Point since the entrance fee entitles them to continuing care at Windsor Point – or lifetime rights to the community. In addition, residents moving into the Kelly Health Care Center will sign a separate contract outlining services and regulations pertaining to the Health Care Center. They have access to other levels of lodging and care and are given priority to independent units not pre-sold.

A. HEALTH CARE SERVICES IN THE FACILITY

The Kelly Health Facility consists of forty-five (45) skilled nursing beds, and fifty-five (55) Assisted Living beds that include a twenty (20) bed Alzheimer's unit. Admission into the Kelly Health Facility by continuing care residents requires appropriate medical forms to be filled out by the resident’s doctor and must be approved by Windsor Point. However, a physician may admit a resident for up to seventy-two (72) hours of temporary inpatient care without a request.

If no bed in the Kelly Health Facility is available at the appropriate level, Windsor Point is responsible for finding an alternative health care facility for residents until such time as an appropriate bed is available in the community. If Windsor Point's Medical Director determines that the Kelly Health Facility cannot meet the resident's needs, the resident will be transferred to an appropriate health care facility selected by Windsor Point. During the time that the resident is in another facility, the resident will continue to pay the resident's Monthly Service Fee to Windsor Point. The resident also will continue to have all other rights and obligations set forth in the executed Resident's Agreement. If it is determined that the resident will not return to Windsor Point, the Resident's Agreement will be terminated. No matter the circumstance, no refund is given to a resident until Windsor Point receives an Entrance Fee from a replacement resident that is acceptable to Windsor Point.

Upon admission to the Health Care Center, residents agree to abide by Windsor Point's health care contract which must be signed prior to admission to this unit. The health care contract outlines Windsor Point's health care policies. Residents also agree to abide by any health care regulations as dictated by the state of North Carolina.

B. FREE HEALTH CARE DAYS

All Independent or Independent Plus residents of the community who have paid an Entrance Fee can accrue 15 free days of inpatient nursing care per calendar year, beginning with the date of occupancy. A maximum of 30 days may be accumulated at any one time. Eligible days may not be transferred from one resident to another and will not be advanced by Windsor Point or borrowed from another resident.

When a resident enters a unit of the Kelly Health Facility on a temporary inpatient basis, the resident will continue to pay the same Monthly Service Fee plus the cost of extra meals, as before the admission until the accumulated eligible days are exhausted. If a resident enters the Kelly Health Care Center on Medicare, free health care days may be used after the Medicare days are exhausted. If third party insurance reimburses Windsor Point for any free days, the resident is credited with as many free days as paid for by the insurance, up to the maximum of 30 days.

When the eligible days are exhausted, the resident will pay, in addition to the same Monthly Service Fee, 50% of the published per diem rate for inpatient care services for the next 30 days, plus the cost of additional meals. If third party insurance reimburses Windsor Point for the care, the proceeds are refunded to the resident up to the amount paid to Windsor Point by the resident for that care.

After 30 days of paying 50% of the daily rate, the resident will be reviewed by the Resident Assessment Team to determine if he/she needs to become a permanent inpatient of the Kelly Health Care Center. If a resident becomes a permanent inpatient, the resident will pay only the same Monthly Service Fee as before the admission until all eligible days are exhausted.

When the eligible days are exhausted, the resident's Monthly Service Fee will become the published rate for the appropriate level of care.

The procedure for becoming a permanent resident of the Kelly Health Care Center is as follows: the Director of Nursing will recommend that the Windsor Point Resident Assessment Team review the resident for possible permanent placement in the Kelly Health Care facility. If the Windsor Point Resident Assessment Team decides that the resident will no longer be able to live in their original level of care for an indeterminate amount of time, the resident will either need to give up their unit or assume the monthly service fees for both units.
All fees charged for temporary or permanent inpatient care in the Kelly Health Facility covers the facilities, staff, and routine supplies. Pharmacy expenses and physician fees are billed separately and may be covered by insurance. Occupational therapy, physical therapy, speech therapy, hydrotherapy, lab work, and ambulance service is provided at an additional cost and may also be paid by insurance. Any cost not covered by insurance is the responsibility of the resident.

If a resident is enrolled in long term care insurance, a percentage of the resident's fee for a stay in the Kelly Health Facility may be covered after an elimination period has been satisfied and eligibility requirements have been met. All proceeds from the insurance would be paid directly to the resident unless already assigned by the resident to Windsor Point.

During a temporary or permanent stay in the Kelly Health Care Facility, residents and their visitors are required to follow all policies and procedures of the facility, including visiting hours, cooperation with staff, and adherence to physician orders.

It is the resident’s responsibility to check with Windsor Point to make sure that the insurance they carry is accepted by Windsor Point. At this time Windsor Point does not accept any HMOs.

C. EMERGENCY SERVICES

Personnel in the Kelly Health Care Facility are available around the clock to respond to calls and to determine the level of assistance needed. However, in addition to activating the emergency call system, residents are advised to call 911 immediately when the situation warrants. Residents are required to authorize Windsor Point to release medical records for emergency or non-emergency treatment.

D. ADDITIONAL HEALTH CARE SERVICES

Windsor Point either provides or assists with arrangements for the following additional services:

1. **Physician Care**: All residents at Windsor Point must have a personal physician. If the resident or potential resident does not have a personal physician, Windsor Point will assist in arranging for a physician or physicians for residents. The community's Medical Director is the primary physician for residents in the Health Care Center. If for some reason Windsor Point's medical director is not the resident's choice for a physician, it is the responsibility of the resident or the resident's responsible party to select a physician that adheres to state and federal guidelines as well as those of Windsor Point. All costs associated with physician care, i.e. lab work, etc. will be the direct responsibility of the resident. All physicians must follow all State and Federal guidelines as well as Windsor Point policies and procedures.

2. **Patient Examination**: A resident must agree to submit to a medical examination when requested by the Community's Medical Director, if it is shown that the Medical Director has reasonable cause for concern for the resident's health and well-being.

3. **Hospitalization**: Windsor Point assists all residents with arrangements for inpatient hospital care. Windsor Point will maintain transfer agreements with several area hospitals to facilitate placement of the Community's occupants. All costs associated with inpatient hospital care, including non-medical incidental charges, are the responsibility of the resident, but may be covered by insurance.

4. **Surgical Procedures and Diagnostic Tests**: Windsor Point assists all residents with arrangements for surgery, treatment by specialists, and diagnostic tests provided off-site. All costs associated with such surgery, treatment, or tests, including non-medical incidental charges, are the responsibility of the resident, but may be covered by insurance.

5. **Care Administered While Traveling:** Health care services received by a resident while traveling is the responsibility of the resident, but may be covered by resident's insurance. It is the responsibility of each resident to maintain his or her personal insurance.

E. HEALTH CARE SERVICES NOT COVERED BY WINDSOR POINT

Windsor Point is not responsible for the payment of health care services not covered by Medicare Part A or Part B, except to the extent such services are covered by a resident's private health insurance plan. These non-covered services include, but are not limited to, prescription drugs, dental work, hearing aids, eyeglasses, orthopedic devices, and podiatrist care, wheelchairs, walkers, etc. Windsor Point will not be responsible for psychiatric or psychological services other than those covered by a resident's private health insurance.

F. PRE-EXISTING CONDITIONS

Windsor Point is not responsible for the cost of care associated with a pre-existing condition that is concealed or misrepresented by the resident.

G. PRIVATE DUTY PERSONNEL

Windsor Point requires approval for the use of all Private Duty Personnel including, but not limited to, nurses, nurse aides, sitters, and in-home companions. If you are interested in Private Duty Personnel, residents must adhere to the Windsor Point Private Duty Personnel Policy which may be obtained at the front desk.

All costs associated with the use of Private Duty Personnel are the responsibility of the resident. Upon approval, Private Duty Personnel may be used by a resident in the following circumstances: (I) if the resident is independent and it is determined by the Windsor Point Resident Assessment Team that the resident can maintain their independent unit with assistance and without causing harm to that resident and others. (However, Windsor Point reserves the right to deny the request for private duty personnel and require the resident to move to another level of care if the Windsor Point Assessment Team feels that this would be more beneficial to the resident.) (II) during short term emergency situations if the resident needs temporary care prior to being transferred to a more appropriate level of care; or (III) if the resident occupies a bed in the Kelly Health Facility and desires the additional services of Private Duty Personnel.

Windsor Point assumes no responsibility for the actions of private duty sitters if employed by residents or their families. All private duty personnel must adhere to guidelines set up for private duty sitters. These guidelines include, but are not limited to, background checks, parking, smoking, and dress. In addition, sitters must sign in and out and wear name tags distributed by Windsor Point at all times they are on the property.

H. AUTHORIZATION

Each resident must authorize Windsor Point to act in the resident's behalf to obtain transportation to, admission into, and treatment at area hospitals in an emergency. Windsor Point will notify the resident's family or other responsible parties in an emergency. Each resident must also authorize Windsor Point to act in the resident's behalf for emergency treatment and care recommended by an attending physician when the resident is unable to make decisions and the resident's family or other responsible parties cannot be reached to make decisions.

VI. FEES

If two residents execute the Resident's Agreement jointly, the Living Unit, services, fees, and charges specified in the Agreement will apply to both residents. If the two residents are husband and wife, each is individually responsible for payments due under the Resident's Agreement. If the two residents are not husband and wife, each is liable for one-half of the payments due under the Resident's Agreement.

A. APPLICATION AND REGISTRATION FEE

Each prospective resident has to pay a non-refundable application fee of $200.00. If Windsor Point does not accept the prospective resident for the waiting list or for occupancy, the application fee will not be refunded.

B. ENTRANCE FEES

Windsor Point makes available all the services and facilities outlined in an executed Resident's Agreement in return for the resident's payment of a non-refundable application fee of $200.00, an Entrance Fee and Monthly Service Fees. Each prospective resident will have a choice between two resident Payment Plans - the Life Occupancy Plan and the 50% Life Equity Plan. These two plans, detailed in the charts of this Disclosure Statement, differ only in the amount of the deposit required and the refund returned to the resident or the resident's estate after occupancy is terminated. If the resident is offered and accepts an incentive on his/her entrance fee, this reduced entrance fee will be amortized over the first 25 months of residency at Windsor Point instead of 50.

Upon execution of a Resident's Agreement by Windsor Point and the Prospective resident, a Reservation Deposit in the amount of 10% of the specified Entrance Fee for the selected or assigned Living Unit is due. Upon final approval for admission into the community, the balance of the Entrance Fee is payable to Windsor Point and must be received no later than two weeks prior to the date of occupancy or 45 days after signing the resident agreement, whichever comes first.

The Entrance Fee paid by the resident is a condition of entrance into the community and Windsor Point reserves the right to apply these funds against its capital indebtedness or to use these funds for any purpose deemed proper within the scope of all applicable state laws, generally accepted accounting principles, and Windsor Point's corporate charter.

The Entrance Fee is a payment that assures a resident a place in a facility for a term of years or for life. It represents a prepayment of many of the services Windsor Point provides in the basic service package, including a significant amount of future health care services (i.e. health center credit days, discounts on future health center per diems and health promotion &

prevention services). Entrance fees will continue to amortize until the resident leaves the Windsor Point Community or until the Entrance Fee amortization is complete.

C. MONTHLY SERVICE FEE

A non-refundable Monthly Service Fee for each Living Unit is due by the 5th day of each month, for services to be rendered in that month. The Monthly Service Fee will vary with the type of Living Unit occupied, as evidenced in the chart of this Disclosure Statement. A resident may also incur additional fees and charges if the resident chooses to receive services that are not included in the standard Monthly Service Fee. At this time there are no credits given for absentee residents unless they are absent from the property for more than 90 consecutive days. A written request must be submitted prior to departure that includes the date leaving, and the date of return. There are no reductions or allowances given to residents who may choose not to use any services covered in the monthly fees. It is at Windsor Point's discretion to grant credits and to decide on the amount of credit given.

Windsor Point is and will continue to be dedicated to providing quality services, facilities, and care at the lowest feasible cost. To do so, Windsor Point must maintain a sound financial base for the continued operation of the community. Therefore, all Monthly Service Fees are subject to periodic adjustments according to economic requirements and conditions and the extent of services offered. If a resident's Monthly Service Fee is adjusted, the resident is responsible for payment of the adjusted fee. No increase in the Monthly Service Fee will take effect earlier than thirty (30) days after written notice of the increase is given to the resident.

D. NON-BINDING RESERVATION FEE

For any resident interested in coming into Windsor Point at a future date, or wanting to be in line for a specific unit, a waiting list is provided. A refundable deposit of $1,000.00 will place a resident on a waiting list. With this deposit, the resident is given a priority number. This number will place them in line for a specific type of unit. This deposit will not secure rates for a unit. However, it can be applied to the entrance fee when a resident moves in.

E. MOTORIZED PERSONAL VEHICLE SURCHARGE

There will be an annual surcharge of $200.00 for all scooter/ motorized personal vehicles. This charge is to help defray the cost of repairs caused by scooters/ motorized vehicles to public areas. In addition, repairing or replacing carpets, walls, and equipment damaged by scooters in resident's units will be charged to the resident. In an effort to keep all residents safe, scooters are not allowed in any dining room. (**Residents using scooter/motorized personal vehicles will be held accountable for the scooter policies of Windsor Point.)**

LIFE OCCUPANCY RESIDENT ENTRANCE FEES

100% of the Life Occupancy Fee is amortized over the first 50 months of residency.

Non-refundable Application Fee - $200

		OCCUPANCY		MONTHLY	
INDEPENDENT LIVING		**SINGLE**	**DOUBLE**	**SINGLE**	**DOUBLE**
COTTAGES					
TWO BEDROOM		$180,000	$185,000	3,886	4,886
TWO BEDROOM W/GARAGE		185,000	190,000	3,886	4,886
TWO BEDROOM DELUXE		190,000	195,000	3,886	4,886
APARTMENTS					
TWO BEDROOM	950 sq. ft.	105,000	110,000	3,425	4,425
ONE BEDROOM	600 sq ft	80,000	85,000	3,215	4,215
	700 sq ft	84,000	89,000	3,215	4,215
	800 sq ft	89,000	94,000	3,215	4,215
STUDIO	400 sq ft	58,000	63,000	2,723	3,723
	500 sq ft	60,000	65,000	2,723	3,723
	600 sq ft	64,000	69,000	2,723	3,723
ROYAL TREATMENT					
ONE BR - ROYAL TREATMENT		80,000	85,000	4,620	5,620
TWO BR - ROYAL TREATMENT		105,000	110,000	5,060	6,060

REGENCY COURT- INDEPENDENT PLUS			**SINGLE**	**DOUBLE**
Alcove	$55,000	$60,000	3,761	4,761
One Bedroom	$75,000	$80,000	5,515	6,515
Suite	$75,000	$80,000	6,522	7,522

CARE PLUS – REGENCY COURT ONLY ADDITIONAL $500.00/mo

50% LIFE EQUITY RESIDENT ENTRANCE FEES

50% of the Life Equity resident Fee is amortized over the first 25 months of residency
The remaining 50% is returned to the resident or the resident's estate after occupancy is terminated.

Non-refundable Application Fee $200

		OCCUPANCY		MONTHLY	
INDEPENDENT		**SINGLE**	**DOUBLE**	**SINGLE**	**DOUBLE**
COTTAGES					
TWO BEDROOM		234,000	239,000	3,886	4,886
TWO BEDROOM W/GARAGE		240,500	245,500	3,886	4,886
TWO BEDROOM DELUXE		247,000	252,000	3,886	4,886
APARTMENTS					
TWO BEDROOM	950 sq. ft.	133,500	138,500	3,425	4,425
ONE BEDROOM	600 sq ft	102,500	107,500	3,215	4,215
	700 sq ft	107,700	112,700	3,215	4,215
	800 sq ft	114,200	119,200	3,215	4,215
STUDIO	400 sq ft	73,900	78,900	2,723	3,723
	500 sq ft	76,500	81,500	2,723	3,723
	600 sq ft	81,700	86,700	2,723	3,723
ROYAL TREATMENT					
ONE BR – ROYAL TREATMENT		102,500	107,500	4,620	5,620
TWO BR – ROYAL TREATMENT		133,500	138,500	5,060	6,060

REGENCY COURT- INDEPENDENT PLUS			**SINGLE**	**DOUBLE**
Alcove	$70,000	75,000	$3,761	4,761
One Bedroom	97,500	102,500	5,515	6,515
Suite	97,500	102,500	6,522	7,522

CARE PLUS – REGENCY COURT ONLY ADDITIONAL $500.00/mo

KELLY HEALTH CARE CENTER

	Entrance Fees*	Semi-private	Private	Semi-to-Private
CHELSEA HALL	$8,000*	4,357	6,225	7,469
HAYES HALL	$8,000*	5,601		7,718

*Health Care Entrance Fees are amortized over 6 months.

NURSING HOME	**DAILY RATE**
SEMI-PRIVATE	$232
PRIVATE ROOM	295
SEMI-PRIVATE CONVERTED TO PRIVATE	337

F. MONTHLY STATEMENTS

Windsor Point will furnish monthly statements to all residents showing the Monthly Service Fee and all additional fees and charges due from the resident.

G. CONDITIONS FOR REFUND

A resident or a resident's estate may be entitled to a refund of the Entrance Fee upon the death of the resident or upon the resident's withdrawal from the community. All refunds will be paid to the resident, the resident's estate, or to the Clerk of Court, unless a court order indicates otherwise.

The specific refund provision governing each resident must be chosen by the resident and is included in the executed Resident's Agreement. The two choices provided to residents are as follows:

Non-refundable Entrance Fee: A non-refundable Entrance Fee may be charged which accrues to Windsor Point as income at a rate of 2% per month of occupancy. If the resident decides to leave Windsor Point before 100% of the Entrance Fee has been realized as income by Windsor Point, the resident is due a refund of the Entrance Fee, less the following: 2% of the fee for each month of occupancy; any amount the resident owes Windsor Point; and, the amount necessary to restore the Living Unit to a condition acceptable for re-occupation. If the Living Unit is occupied any portion of a month, then no refund is due for that month. Refunds are payable to the resident only upon the receipt of an Entrance Fee from a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point. Monthly Service Fees are not refundable. **If the resident is offered and accepts an incentive on his/her entrance fee, this reduced entrance fee will be amortized over the first 25 months of residency at Windsor Point instead of 50 months. Health Care entrance fees will amortize over a 6 month period.**

50% Refundable Entrance Fee: A 50% Refundable Entrance Fee may be charged which accrues to Windsor Point as income at a rate of 2% per month of occupancy until 50% of the Entrance Fee has been realized by Windsor Point as income. Thereafter, any refund to the resident is limited to 50% of the Entrance Fee originally paid, less any outstanding charges due to Windsor Point and the amount necessary to restore the Living Unit to a condition acceptable for re-occupation. If the resident leaves Windsor Point before 50% of the Entrance Fee has been realized as income by Windsor Point, the resident is due a refund of 50% of the Entrance Fee, less the following: 2% of the fee for each month of occupancy; any amount the resident owes Windsor Point; and, the amount necessary to restore the Living Unit to a condition acceptable for re-occupation. If the Living Unit is occupied any portion of a month, then no refund is due for that month. Refunds are payable to the resident only upon the receipt of an Entrance Fee from a replacement resident acceptable to Windsor

Point. This refund is based on resale of the original unit the resident occupied at Windsor Point. Monthly Service Fees are not refundable.

Monthly Fees: Monthly Service Fees paid to Windsor Point are not refundable to the resident in part or in full**.** The only exception to this policy will be for residents who pass away while living in the Kelly Health Care Center. Any insurance premiums paid above the amount of the monthly fee or any credits above the amount of the monthly fee will be reimbursed to the resident within 30 days of the resident leaving Windsor Point.

As long as personal effects are maintained in the room space, residents will continue to be charged a monthly service fee.

H. NOTIFICATION OF FEE INCREASES

Monthly fees are established at the level needed to meet the operating expenses of Windsor Point. Monthly Fee changes are compared to changes in the Consumer Price Index to measure whether Windsor Point's costs are in line with changes in the general economy. The Consumer Price Index is not a controlling factor in fee increases, but it is used only for comparison purposes. Monthly fees are periodically compared to fees of other life care communities. Windsor Point will give at least 30 days notice of changes in fees. Windsor Point will use sound management practices to ensure that fees are kept down while still maintaining a high quality of care.

I. MONTHLY FEE CHANGES OVER LAST 5 YEARS

	2019	2020	2021	2022	2023
Independent - Cottages	3297	3363	3430	3533	3886
Independent - 2 Bedroom Apartment	2906	2964	3023	3114	3425
Independent - 1 Bedroom Apartment	2727	2782	2838	2923	3215
Independent - Studio Apartment	2310	2356	2403	2475	2723
Royal Treatment 2 Bedroom Apartment	4095	3564	3635	4200	5060
Royal Treatment 1 Bedroom Apartment	3290	3382	3450	4000	4620
Independent Plus Suite	5532	5643	5756	5929	6522
Independent Plus 1 Bedroom	4679	4773	4868	5014	5515
Independent Plus Alcove	3190	3254	3319	3419	3761
Assisted Living – Private	5280	5386	5494	5659	6225
Assisted Living – Semi-Private	3697	3771	3846	3961	4357
Assisted Living – Semi-to-Private	6336	6463	6592	6790	7469
Memory Care – Semi-Private	4752	4847	4944	5092	5601
Memory Care – Private	6547	6678	6812	7016	7718
Nursing – Private - Daily	250	255	260	268	295
Nursing – Semi-Private - Daily	197	201	205	211	232
Nursing – Semi–to–Private	285	291	297	306	337

*In order to increase our rates without negatively impacting current Windsor Point residents, a two-tiered price level increase was implemented with new rates beginning June 1, 2023. New resident rates apply to any resident entering Windsor Point or a new level of care. Existing resident rates are the increases residents receive in their current level of occupancy. If an existing resident moves to a new unit or a different level of care, the new resident pricing will apply.

J. AVERAGE DOLLAR AMOUNT CHANGES OVER LAST 5 YEARS

	2018	2019	2020	2021	2022	2023
Independent	$ 55	42	56	53	69	109
Royal Treatment	$ 72	55	74	-12	163	240
Independent Plus	$ 86	66	90	83	110	173
Chelsea Hall	$ 98	76	102	95	125	198
Hayes Hall	$109	84	113	105	139	218
Skilled Nursing	$ 5	4	5	5	6	10

K. OPERATING RESERVES

Continuing care facilities are required to maintain operating reserves equal to 25% of their operating costs projected for the 12 month period covered by the most recent disclosure statement filed with the Department of Insurance if occupancy levels remain in excess of 90%. Additionally, facilities must maintain 50% of total projected operating costs projected for the same 12 month period if occupancy rates are lower than 90%.

Based on occupancy levels and Windsor Point's forecasted operating expenses, the operating reserves for 2023 are $2,801,834. This represents 25% of our net operating expense projected for 2023. Income and advances from owners are the primary sources of funds for the operating reserves of Windsor Point. The Executive Director and Treasurer of Windsor Point serve as the custodians of these funds and make all investment decisions. Operating reserves are kept in the form of cash, cash equivalents, bonds, stocks, and/or U.S. Treasury obligations and are a restricted asset.

L. FACILITY DEVELOPMENT AND EXPANSION

Stan Johnson & Associates LLC has completed all phases of Windsor Point at a total cost of $22,896,472.00. Part of Phase II and III are financed by a loan from Windsor Point CCRC to Stan Johnson and Associates in the amount $925,062. This money is secured by a Promissory Note. The annual interest rate is variable based on the monthly Federal applicable rate. The rate is reviewed and revised annually. The interest is payable monthly. In the event of default, Windsor Point has the right to declare the remainder of the debt due and payable at once.

Failure to exercise this option shall not constitute a waiver of the right for Windsor Point to exercise the same at any other time. Stan Johnson & Associates LLC is paying $33,671.05 a month to Windsor Point.

Stan Johnson & Associates LLC refinanced a previous mortgage related to Phases I, II, and III with proceeds of a loan from Branch Bank and Trust Company totaling $13,000,000.00. The loan is amortized over thirteen years and will be paid in full on 10/1/28. The interest rate is a thirteen year fixed swap rate of 3.35% and the principal and interest payments are payable monthly.

Stan Johnson & Associates LLC owns the land, buildings, and equipment, which are leased to Windsor Point. Windsor Point's lease payments are $208,100 a month. Windsor Point's minimum lease payments shall be no less than Stan Johnson & Associates LLC's mortgage payments unless waived by Stan Johnson & Associates.

Stan Johnson and Associates LLC has constructed a community center, which features a pharmacy, convenience store, dining room, auditorium, and billiards room., a health care facility consisting of 45 beds and 55 assisted living beds - of which 20 are memory care beds. The second floor of the community has 40 Independent Plus Units and the third floor has 31 one-bedroom and studio units. Stan Johnson & Associates has also constructed three 27-unit apartment buildings each containing 24 two-bedroom apartments and 3 one-bedroom apartments. Stan Johnson & Associates has also constructed 29 individual houses and the S. Ray Johnson Wellness Center with pool and exercise room.

The owners of Windsor Point have provided all of the funds needed for the operating reserve requirement for North Carolina General Statute 58-64-33.

Revenue from Entrance fees shall be computed in accordance with the American Institute of Certified Public Accountants Statement of Position 90-8 "Financial Accounting and Reporting by Continuing Care Retirement Communities". Entrance fees are amortized over the remaining life expectancy of each individual resident. Windsor Point, Inc. is authorized to issue one hundred thousand (100,000) shares of stock at ($1.00) par value. Current shares issued and outstanding equal one thousand (1,000) shares.

At this time, no future expansion is expected.

VII. MISCELLANEOUS

A. RIGHTS, PRIVILEGES, & LIMITATIONS

The rights and privileges of a resident under an executed Resident's Agreement are personal and nontransferable and will not include any proprietary interest in the property or facilities of the community or the assets of Windsor Point.

B. INABILITY TO MANAGE AFFAIRS

Each resident must agree that if the resident becomes incapable of governing him or herself or incapable of managing personal affairs, Windsor Point will have an interest in the matter which will entitle it to institute legal action for determination of resident's competency. Each resident must also agree to designate a guardian or trustee to be appointed if the need arises. Windsor Point, or a representative of Windsor Point, will become the appointee only if a court of proper jurisdiction determines that appointment of the guardian or trustee named by the resident is not in the best interest of the resident or the resident's estate.

C. PERSONAL BELONGINGS

Windsor Point will not be responsible for the loss of any property belonging to the resident due to theft, mysterious disappearance, fire, or any other cause. This includes hearing aids, glasses, jewelry, dentures, etc. Each resident has the responsibility of providing insurance to cover any such loss.

Upon termination of a resident's occupancy of a Living Unit, Windsor Point will have the right to remove promptly from the Living Unit all property belonging to the resident and have the property stored for the resident. Either the resident or the resident's estate is responsible for payment of any storage fees and will reimburse Windsor Point for expense it incurs.

D. SUBROGATION RIGHTS

If a resident is injured by a third party, Windsor Point will have the right of subrogation for all of Windsor Point's costs and expenses incurred because of the injury, Windsor Point will have the right, in the name of the resident or otherwise, to take all necessary steps and procedures to enforce the payment of the costs and expenses by the person responsible for the injury. Each resident must agree to cooperate fully and assist Windsor Point in recovering its costs and expenses.

E. ACCIDENT OR INJURY CAUSED BY OTHERS, POWER OF ATTORNEY

The resident shall appoint in writing by a Power of Attorney a person of the resident’s choosing to act in the resident’s behalf as attorney-in-fact in case of accident or injury to the resident and shall promptly provide this information to Windsor Point in writing. If the resident shall fail to designate an attorney-in-fact, Windsor Point, in such event, may sue and enforce cause of action of the resident for injury or damages so resulting in the name of the resident, or in the name of Windsor Point.

If the resident fails to appoint an attorney-in-fact, the resident hereby nominates and appoints Windsor Point as the resident’s attorney-in-fact, enabling Windsor Point to undertake such suit or seek reimbursement. The resident thereby grants to Windsor Point the

power and authority to seek, sue for, institute any legal action, or preceding for, settle, compromise, and give releases for all such claims or cause of action, or to do any other act in connection therewith and to appoint an agent or agents to exercise the power herein conferred upon resident's attorney-in-fact; hereby ratifying and confirming all action taken by Windsor Point pursuant to Article 2 of the North Carolina General Statutes, Chapter 32 A, and this Power of Attorney shall not be affected by the resident's subsequent incapacity or mental incompetence either physically or mentally, and this power of Attorney shall remain in full force and effect until the same shall be duly revoked by the resident, or otherwise revoked as provided in the General Statutes of North Carolina.

All costs and expenses reasonably incurred by Windsor Point (including, but not limited to the fees and expenses of an attorney retained by Windsor Point to pursue such claim) shall be paid and / or reimbursed to Windsor Point, either from settlement, judgment, or otherwise, and the balance of any collection made on behalf of the resident shall be paid to the resident's account or, in the event of the death of the resident will be paid to the resident's estate, or to the appropriate person or entity entitled thereto.

F. COMPLIANCE WITH APPLICABLE LAWS

Windsor Point will operate in full compliance with all applicable laws and rules, regulations, and ordinances promulgated by lawful governmental authority. Windsor Point will also have the right to change a resident's Living Unit to meet the requirements of law or the regulations of a Fire Department, Department of Public Health, or other duly-constituted governmental authority or agency.

G. ARBITRATION

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, whether or not the parties remain in North Carolina. In the event either party wishes to seek the enforcement of any remedy or bring any claim arising from or otherwise related to this Agreement or to Windsor Point, the parties shall submit the matter to binding arbitration, and the arbitration proceeding shall be administered in accordance with the rules presently established by the American Arbitration Association (AAA) for Consumer claims (including the Consumer-Related Disputes Supplementary Procedures and the Consumer Due Process Protocol established by AAA), unless otherwise mutually agreed upon by the parties. The costs of the arbitration shall be borne equally by the parties; however, the party initiating arbitration shall be solely responsible for costs charged in accordance with AAA's rules as these costs pertain to initiating an arbitration claim. The results of the arbitration shall be binding upon the parties and may, at the request of either party, be reduced to a final judgment.

Should arbitration between the parties become necessary or ensue, the parties agree that Wake County, North Carolina is a convenient forum and is the only forum in which a claim arising from or related to Windsor Point or to this Agreement may be arbitrated. In any action to enforce or defend the forum selection, choice of law or arbitration provisions of this Agreement, the party receiving enforcement shall, at the conclusion of the action, be entitled to recover its cost and expenses associated with obtaining this enforcement including, but not limited to reasonable attorneys' fees and all other litigation or arbitration expenses incurred in connection therewith. Further, all injunctive relief provided with regard to the enforcement of these provisions shall be without bond.

Without waiving the arbitration provisions of this Agreement, the parties agree that, should litigation between the parties for any reason becomes necessary or ensues, state courts located Wake County, North Carolina and the federal courts for the Eastern District of North Carolina are convenient forums and are the only forums in which a claim arising from or related to Windsor Point may be filed, maintained, or litigated, and both parties submit to the jurisdiction of these courts and waive their right to commence or maintain litigation in any other forum.

H. RIGHTS OF MANAGEMENT

The absolute right of management is reserved to Windsor Point and its administrators. No resident will have a right to accept or reject any prospective resident. No resident will have a right to manage the community or a right to determine admission policies or the terms of admission of any other resident.

I. RIGHT OF ENTRY

Each resident must grant duly-authorized employees of Windsor Point the right of entry into resident's Living Unit for managerial purposes at reasonable times or for emergency purposes at any time, as required.

J. WAIVER OF BREACH

The failure of Windsor Point in any one or more instances to insist upon the strict performance, observance, or compliance by the resident with any of the terms or provisions of the Resident's Agreement, this Disclosure Statement, or published community policies, rules, and regulations cannot be construed to be a waiver or relinquishment by Windsor Point of its right to insist upon strict compliance by the resident with all the terms or provisions of

the Resident's Agreement, this Disclosure Statement, or published COMMUNITY policies, rules, and regulations.

K. USE OF APPLIANCES AND VEHICLES

Should a resident demonstrate an inability to safely use scooters, cars, golf carts, the range, refrigerator, disposal unit, or other appliances in the resident's Living Unit, Windsor Point will have the right to turn off power to the appliance or to remove the appliance or vehicle. If the resident is unable to safely utilize appliances in his or her kitchen, the resident will then be responsible for the cost of extra meals in the community's dining facilities.

L. RECORDING DEVICES

Audio, video or photographic recordings within the building are prohibited unless prior approval has been given by Administration.

M. GUESTS

A resident may receive visitors in the resident's Living Unit, subject to reasonable terms and conditions that Windsor Point may establish. Overnight guests are permitted in a resident's Living Unit, provided that Windsor Point is notified of the guest's stay. Guests may also use the community's guest accommodations, if available, by appointment and for a reasonable charge. However, Windsor Point reserves the right to limit or terminate the stay of any guest, at any time, and for any reason. Residents are responsible for injuries or damages caused by their guests.

N. MEDICARE STATUTES

As of the date of this Disclosure Statement, the Medicare statutes referenced in the Disclosure Statement are fully functioning. Windsor Point assumes that the Medicare program will continue to function and provide reimbursement in essentially the same manner as it now does. Should the Medicare statutes be substantially modified or eliminated, Windsor Point will amend this Disclosure Statement and related documentation, such as the Resident's Agreement, to reflect the modifications or eliminations.

O. DEDUCTION OF FEES AS MEDICAL EXPENSES ON RESIDENT'S INCOME TAXES

The Internal Revenue Service has ruled in its Publication 502 and in a number of rulings on individual cases that a part of Residence and Care Fees and Monthly Service Fees of life care community residents may be treated as an expense incurred for obtaining medical care. In the various rulings, the deductions allowed taxpayers were the fees attributable to providing medical care for all its residents prorated among the resident rather than the amount expended by the retirement center for the medical care of each individual resident.

Life Occupancy and 50% Equity Residence and Care Fees include a lump sum for prepaid medical care. That amount meets the Internal Revenue Service requirement that it is an advance payment as a condition for the community to provide lifetime care that includes medical care. The deductible prepaid medical care proportion of the Residence Entrance Fee and Care Fee should be in the range of 20% - 30%. These percentages will vary from year to year based upon medical costs incurred by Windsor Point.

A part of the Monthly Service Fee is also deductible as a medical care cost. The deductible proportion of a resident's monthly service fee is determined in the same manner as the deduction of a resident's entrance fee. After each calendar year Windsor Point will provide each resident with a statement for use in preparing tax returns.

This information gives in our opinion, based on our research in the practices of other life care communities, our interpretation of the Internal Revenue Service regulations and rulings.

However, Windsor Point cannot guarantee that the Internal Revenue Service will allow this deduction. The matter of any resident's tax responsibility is between the resident and the Internal Revenue Service. Windsor Point recommends that residents consult their tax advisor and follow his or her guidance. Windsor Point, Inc. assumes no responsibility for residents' tax liability. Windsor Point will, of course, provide statements and records, if needed, to support fees and expenses for medical care.

P. IMPUTED INTEREST

Imputed interest will apply to those residents age 64 or younger and who choose the 50% equity contract option. In 1984, the U.S. Congress passed the Deficit Reduction Act which defined certain transactions that were considered "below market loans," meaning that money was transferred from one individual to another without interest or at interest below that generally or commercially available. Proponents of the legislation argue that such transactions have the effect of reducing tax revenues. They reason that these monies could have been invested, and the interest paid on the investments would be taxable. Therefore the law assumes, or imputes, an interest as if these loan monies had otherwise been invested and creates a tax liability on the imputed interest for the "lender" of the money.

The Internal Revenue Service has not yet issued regulations that clearly address the degree to which refundable entry fees to continuing care retirement centers might be construed by the IRS to be "loans" subject to imputed interest taxation. Congress has sought to clarify the issue with later legislation, and seems to intend to exclude entry fees that are refundable over short terms (such as the Windsor Point fee which is refundable over 25 months). Without final regulations from IRS, final guidance regarding any individual tax liability arising form payment of an entry fee is not possible.

Q. INCENTIVES

Occasionally, Windsor Point will offer incentives to residents. Some examples might be reduced rates for a short period of time, reduced entrance fees, golf packages, payment on insurance premiums, etc. These incentives will vary in length of time offered and amounts. They are offered at the sole discretion of Windsor Point and are advertised for varying lengths of time and qualifications on receiving them. Incentives will never be offered that will affect the financial stability of Windsor Point.

If the resident is offered and accepts an incentive on his/her entrance fee, this reduced entrance fee will be amortized over the first 25 months of residency at Windsor Point instead of the first 50 months.

WINDSOR POINT INC.

Balance Sheet

March 2023

	ASSETS		
Current Assets			
CASH			
CASH ON HAND - EMERGENCY FUND	100,600.00		
CASH - BUSINESS CENTER	3,900.00		
CHECKING-FID - BUSINESS CENTER	1,049.35		
Checking-Operating-FID	824,837.16		
CHECKING - PAYROLL - FID	3,451.75		
CHECKING - GENERAL - BBT	476,421.20		
CHECKING - SPECIAL ACCOUNT	1,796,157.91		
CERTIFICATES OF DEPOSIT	4,953,549.85		
CDs - BB&T	2,597,584.00		
CASH IN BANK - PATIENT FUND	12,276.83		
TOTAL CASH		10,769,828.05	
ACCOUNTS RECEIVABLE			
RESIDENT REFUND	10,507.49		
A/R PRIVATE	132,731.07		
A/R - MEDICARE	502,169.39		
A/R MEDICARE PART B	144,543.94		
ALLOWANCE FOR BAD DEBTS	(550,000.00)		
A/R - ALZTHEMERS	14,622.74		
A/R - INDEPENDENT PLUS	(8,298.91)		
A/R - NURSING SNF PVT	(17,955.97)		
A/R - INDEPENDENT LIVING	12,096.17		
A/R - ASSISTED LIVING	(17,422.88)		
OFFICE SPACE	400.00		
EMPLOYEE ADVANCE	(822.44)		
ACTIVITIES RECEIVABLE	(200.00)		
INSURANCE REFUND RECEIVABLE	(5.00)		
ERC TAX CREDIT RECEIVABLE	934,618.17		
UNAPPLIED PAYMENTS	(71,761.49)		
TOTAL ACCOUNTS RECEIVABLE		1,085,222.28	
PREPAID EXPENSES			
PREPAID RENT	210,160.00		
PREPAID INSURANCE	66,679.66		
PREPAID TAXES	20,000.00		
PREPAID EXPENSE	11,899.24		
TOTAL PREPAID EXPENSES		308,738.90	
TOTAL Current Assets			12,163,789.23
Fixed Assets			
FIXED ASSETS			
OFFICE EQUIPMENT	86,037.48		
ACCUM. DEPR- OFFICE EQUIP.	(49,300.78)		

VEHICLES	442,768.20
ACCUM. DEPR.-VEHICLES	(401,654.12)
FURNITURE'S FIXTURES	335,738.67

ACCUM DEPR. - FURNITURE & FIXTURE	(239,820.92)		
DEPARTMENTAL EQUIPMENT	558,107.01		
ACCUM. DEPR. - DEPT EQUIPMENT	(306,134.45)		
LEASE IMPROVEMENT	1,505,203.90		
ACCUM. DEPR. -LEASEHOLD IMPR.	(682,231.45)		
SOFTWARE	25,662.09		
ACCUM DEPR - SOFTWARE	(24,875.76)		
TOTAL FIXED ASSETS		1,249,499.87	
OTHER ASSETS			
CD'S - OPERATING RESERVES	2,609,314.94		
NOTES RECEIVABLE-STAN JOHNSON	863,464.39		
TOTAL OTHER ASSETS		3,472,779.33	
TOTAL Fixed Assets			4,722,279.20
TOTAL ASSETS			16,886,068.43
	LIABILITIES		
Current Liabilities			
ACCOUNTS PAYABLE			
A/P AND ACCRUED EXPENSES	400,008.62		
PATIENT PERSONAL FUNDS	11,162.73		
DEFFERED REVENUE-CURRENT	1,063,457.04		
OTHER EMPLOYEE DEDUCTIONS	3,355.66		
ACCRUED VACATION	59,686.36		
OTHER TAXES	96,900.00		
SALARIES PAYABLE	169,300.83		
FEDERAL UNEMPLOYMENT	4,820.10		
STATE UNEMPLOYMENT	571.64		
TOTAL CURRENT LIABILITIES		1,809,262.98	
TOTAL Current Liabilities			1,809,262.98
Long-Term Liabilities			
DEFERRED REVENUE		5,945,561.10	
CONTRACTUALLY REFUNDABLE FEES		790,827.32	
TOTAL Long-Term Liabilities			6,736,388.42
TOTAL LIABILITIES			8,545,651.40
	EQUITY		
STOCKHOLDER'S EQUITY			
CAPITAL STOCK	1,000.00		
DIVIDENDS PAID	(400,000.00)		
TOTAL STOCKHOLDERS EQUITY		(399,000.00)	
Retained Earnings		8,444,562.41	
Year-to-Date Earnings		294,854.62	
TOTAL EQUITY			8,340,417.03
TOTAL LIABILITIES & EQUITY			16,886,068.43

WINDSOR POINT INC.,
Income Statement
Year-to-Date Only, March 2023 - current month

3 Months Ended March 31, 2023

Fees		
ROUTINE SERVICES		
PATIENT REV-MEDICARE	66,943.56	2.1 %
MEDICARE ALTERNATIVE	94.12	0.0 %
PATIENT REV- MEDICARE - B	(16.99)	0.0 %
MED ALTERNATIVE PART B	2,497.79	0.1 %
MED ALT PART B/ C/ADJ	(466.27)	0.0 %
PATIENT REV. INDEPENDENT LIV.	1,034,231.84	32.9 %
PATIENT REV - INDEPENDENT LIV C/A	4,006.53	0.1 %
PATIENT REV.- INDEPENDENT PLUS	379,419.68	12.1 %
PATIENT REV.- NURSING SNF PVT	323,590.16	10.3 %
MEDICARE PART A	106,904.05	3.4 %
VBP FACTOR	(2,145.71)	-0.1 %
PATIENT REV. - ASSISTED LIVING	412,842.28	13.1 %
PATIENT REV-R H/ALZTHEMERS PVT	213,809.45	6.8 %
TOTAL ROUTINE SERVICES	2,541,710.49	80.9 %
PHYSICAL THERAPY		
PT-MEDICARE PART A	23,062.56	0.7 %
PT-MEDICARE PART B	4,267.37	0.1 %
PT-SNF PRIVATE	258.52	0.0 %
CONTRACTUAL ALLOWANCE	(22,685.37)	-0.7 %
PT - C/A PART B	(1,120.11)	0.0 %
TOTAL PHYSICAL THERAPY	3,782.97	0.1 %
SPEECH THERAPY		
SPEECH - MEDICARE PART A	12,084.15	0.4 %
SPEECH-MEDICARE PART B	1,972.73	0.1 %
CONTRACTUAL ALLOWANCE	(12,084.15)	-0.4 %
TOTAL SPEECH THERAPY	1,972.73	0.1 %
BILLABLE MEDICAL SUPPLIES		
MEDICARE PART A	105.84	0.0 %
ASSISTED LIVING	2,162.92	0.1 %
INDEPENDENT	163.98	0.0 %
ALZTHIMERS	1,752.32	0.1 %
INDEPENDENT PLUS	313.40	0.0 %
SNF PRIVATE	6,696.28	0.2 %
CONTRACTUAL ADJUSTMENT	(105.84)	0.0 %
TOTAL BILLABLE MEDICAL SUPPLIES	11,088.90	0.4 %
OCCUPATIONAL THERAPY		
MEDICARE PART A	25,404.13	0.8 %
MEDICARE PART B	15,257.51	0.5 %

SNF PRIVATE	273.92	0.0 %
CONTRACTUAL ADJUSTMENT	(25,404.13)	-0.8 %
OT - C/A PART B	(2,794.85)	-0.1 %
TOTAL OCCUPATIONAL THERAPY	12,736.58	0.4 %
OTHER REVENUE		
ROOM HOLD	451.62	0.0 %
ENTRANCE FEES EARNED	525,493.84	16.7 %
INTEREST INCOME	6,332.64	0.2 %
APPLICATIONS FEES & WAITING FEES	8,600.00	0.3 %
RESIDENT GUEST INCOME	1,860.00	0.1 %
CONVENIENT STORE REVENUE	24,962.96	0.8 %
RESIDENT MEALS REVENUE	285.00	0.0 %
REPAIR & MAINTENANCE INCOME	1,185.00	0.0 %
OFFICE SPACE INCOME	2,550.00	0.1 %
UNUM MUTUAL REV	300.36	0.0 %
PRIOR YEAR ADJUSTMENT	(1,350.03)	0.0 %
TOTAL OTHER REVENUE	570,671.39	18.2 %
TOTAL Fees	3,141,963.06	100.0 %
NET INCOME	3,141,963.06	100.0 %
GROSS PROFIT	3,141,963.06	100.0 %
Expenses		
PROPERTY OWNERSHIP & USE		
DEPR - DEPARTMENTAL EQUIP	12,438.00	0.4 %
DEPR - LEASEHOLD IMPROV	19,599.00	0.6 %
DEPR - OFFICE EQUIPMENT	30.00	0.0 %
DEPR - FURNITURE & FIXTURE	4,539.00	0.1 %
RENT - BLDG	630,480.00	20.1 %
PROPERTY TAXES	102,258.04	3.3 %
INSURANCE - FIXED ASSETS	19,676.24	0.6 %
TOTAL PROPERTY OWNERSHIP & USE	789,020.28	25.1 %
PLANT OPERATION & MAINTENANCE		
SALARIES & WAGES-PLANT OP	54,876.65	1.7 %
PAYROLL TAXES-PLANT OP	4,433.29	0.1 %
EMPLOYEE BENEFITS-PLANT OP	7,303.74	0.2 %
MAINTENANCE SUPPLIES-PLANT OP	12,953.25	0.4 %
REP. & MAINT. - BLDG.	92,571.54	2.9 %
REP. & MAINT.-EQUIPMENT	9,473.28	0.3 %
POOL OPERATING EXPENSE	1,536.20	0.0 %
REP. & MAINT. - GROUNDS	1,930.39	0.1 %
EXTERMINATING-PLANT OP	12,412.97	0.4 %

TRASH DISPOSAL-PLANT OP	12,383.70	0.4 %
ELECTRICITY-PLANT OP	55,830.42	1.8 %
FUEL-PLANT OP	61,858.21	2.0 %
WATER-PLANT OP	26,022.74	0.8 %
SMALL EQUIPMENT EXP-PLANT OP	1,909.09	0.1 %
TOTAL PLANT OPERATION & MAINTENANCE	355,495.47	11.3 %
HOUSEKEEPING		
SALARIES & WAGES-HOUSEKEEP	70,292.44	2.2 %
PAYROLL TAXES-HOUSEKEEP	5,725.54	0.2 %
EMPLOYEE BENEFIT-HOUSEKEEP	7,667.30	0.2 %
HOUSEKEEPING SUPPLIES	17,337.06	0.6 %
CONTRACTOR OUTSIDE SVCS-HOUSE	1,605.50	0.1 %
TOTAL HOUSEKEEPING	102,627.84	3.3 %
DIETARY		
SALARIES & WAGES-DIETARY	135,725.68	4.3 %
SUPERVISOR SALARIES-DIETARY	20,261.63	0.6 %
PAYROLL TAXES-DIETARY	12,208.63	0.4 %
EMPLOYEE BENEFIT-DIETARY	15,514.20	0.5 %
RAW FOOD	61,235.49	1.9 %
FOOD SUPPLIES	129,471.48	4.1 %
KITCHEN SUPPLIES	25,691.49	0.8 %
DIETARY CONSULTANT	2,200.00	0.1 %
OTHER CONTRACTOR OUTSIDE SERV	470.00	0.0 %
RESIDENT CATERING EXPENSE	(343.20)	0.0 %
TOTAL DIETARY	402,435.40	12.8 %
NURSING SERVICES		
SALARIES-DON	19,240.02	0.6 %
SALARIES-RN'S	45,933.23	1.5 %
SALARIES-LPN	85,517.44	2.7 %
SALARIES - AIDES & ORDERLY	73,623.37	2.3 %
SALARIES - MEDICAL RECORDS	6,659.48	0.2 %
SALARIES - QUALITY ASSURANCE	10,700.00	0.3 %
PAYROLL TAXES-NURSING SVCS	19,503.52	0.6 %
EMPLOYEE BENEFIT-NURSING SVCS	30,214.56	1.0 %
TRAINING,TRAVEL&TUITION-NURSE	292.85	0.0 %
MEDICAL SUPPLIES	52,050.15	1.7 %
NON LEGEND DRUGS	3.95	0.0 %
OFFICE SUPPLIES	3,309.86	0.1 %
MEDICAL DIRECTOR	6,000.00	0.2 %
TOTAL NURSING SERVICES	353,048.43	11.2 %
LAUNDRY AND LINEN		
SALARIES & WAGES-LAUNDRY	14,605.20	0.5 %
PAYROLL TAXES-LANUDRY	1,202.16	0.0 %
EMPLOYEE BENEFIT-LAUNDRY	1,650.90	0.1 %
LINEN AND BEDDING	39.91	0.0 %

TOTAL LAUNDRY AND LINEN	17,498.17	0.6 %
SOCIAL SERVICES		
SALARIES & WAGES-SOC. SVCS	2,765.36	0.1 %
PAYROLL TAXES-SOC. SVCS	202.38	0.0 %
EMPLOYEE BENEFIT-SOC. SVCS	894.67	0.0 %
TOTAL SOCIAL SERVICES	3,862.41	0.1 %
PATIENT ACTIVITIES		
SUPERVISOR SALARIES-PT. ACT	7,225.76	0.2 %
PAYROLL TAXES-PT. ACT	553.48	0.0 %
EMPLOYEE BENEFITS-PT. ACT	775.83	0.0 %
CABLEVISION TV EXPENSE	8,166.12	0.3 %
MISCELLANEOUS-PT. ACT	226.80	0.0 %
TOTAL PATIENT ACTIVITIES	16,947.99	0.5 %
ADMINISTRATIVE & GENERAL		
SALARIES ADMINISTRATOR	21,250.00	0.7 %
COMMISSION - MARKETING	4,634.27	0.1 %
SALARIES - OTHERS	127,976.46	4.1 %
PAYROLL TAXES	7,062.99	0.2 %
EMPLOYEE BENE. (HOSP INS, W/C)	14,571.49	0.5 %
EMPLOYEE AWARDS & BONUSES	21,392.13	0.7 %
PROMO & PUB REL-HELP WANTED	3,667.61	0.1 %
PROMO & PUB REL - OTHER	34,227.34	1.1 %
TELEPHONE	9,397.77	0.3 %
MEMBERSHIP DUES & SUBSCRIPTIONS	615.00	0.0 %
INSURANCE - GENERAL	17,661.62	0.6 %
COPIER EXPENSE	6,068.57	0.2 %
LICENSE FEES	461.00	0.0 %
LIBRARY EXPENSE	17.83	0.0 %
TAXES-OTHER	11,500.00	0.4 %
CRIMINAL BACKGROUND EXPENSE	742.00	0.0 %
OFFICE SUPPLIES	1,303.78	0.0 %
POSTAGE	965.58	0.0 %
CONSULTING	2,285.64	0.1 %
LEGAL & ACCOUNTING	68,242.65	2.2 %
ENTERTAINMENT & Meals	466.53	0.0 %
DONATIONS	4,850.00	0.2 %
UNIFORM/T-SHIRT EXP	3,355.64	0.1 %
BUILDING DECORATIONS EXPENSE	617.87	0.0 %
EMPLOYEE DRUG TEST EXPENSE	214.45	0.0 %
BANK SERVICE CHARGE	388.39	0.0 %
UNION MUTUAL OFFSET	900.36	0.0 %
TOTAL ADMINISTRATIVE & GENERAL	364,836.97	11.6 %
PHYSICAL THERAPY		
CONTR. O/S SERV.MEDICARE PT A	6,459.11	0.2 %
CONT. O/S SERV.-MEDICARE PT B	305.97	0.0 %
TOTAL PHYSICAL THERAPY	6,765.08	0.2 %

SPEECH THERAPY		
CONTR. O/S SERV.-MEDICARE PT A	2,834.17	0.1 %
CONTR. O/S SERV.-MEDICARE PT B	804.75	0.0 %
TOTAL SPEECH THERAPY	3,638.92	0.1 %
LAB		
LAB-MEDICARE PART A	245.68	0.0 %
TOTAL LAB	245.68	0.0 %
X-RAY		
X-RAY MEDICARE PART A	416.28	0.0 %
TOTAL X-RAY	416.28	0.0 %
OCCUPATIONAL THERAPY		
CONTR. O/S SERV.-MEDICARE PT A	6,079.94	0.2 %
CONTR. O/S SERV. MEDICARE PT B	1,068.07	0.0 %
TOTAL OCCUPATIONAL THERAPY	7,148.01	0.2 %
LEGEND DRUGS		
BILLABLE LEGEND DRUGS	31,900.61	1.0 %
MEDICARE PART A	129.65	0.0 %
TOTAL LEGEND DRUG	32,030.26	1.0 %
INDEPENDENT PLUS		
SUPERVISORY SALARY/IND PLUS	10,400.05	0.3 %
SALARIES-HSKPG IND PLUS	13,519.85	0.4 %
SALARY & WAGES/IND PLUS AIDES	39,315.58	1.3 %
INDEPENDENT PLUS ACT. DIRECTOR	10,835.93	0.3 %
PAYROLL TAXES - IND PLUS	5,986.82	0.2 %
EMPLOYEE BENE. (HOSP INS, W/C)	8,786.36	0.3 %
PATIENT ACTIVITIES SUPPLIES	383.35	0.0 %
SUPPLIES - IND PLUS	138.35	0.0 %
TOTAL INDEPENDENT PLUS	89,366.29	2.8 %
INDEPENDENT		
SALARIES - ACT DIRECTOR	1,824.02	0.1 %
PAYROLL TAXES - INDEPENDENT	151.58	0.0 %
EMPLOYEE BENE. (HOSP INS, W/C)	154.87	0.0 %
INDEPENDENT ACTIVITIES	4,658.87	0.1 %
TOTAL INDEPENDENT	6,789.34	0.2 %
INDEPENDENT ROYAL TREATMENT		
SALARIES, WAGES-IND. ROYAL DOMESTIC	25,802.40	0.8 %
PAYROLL TAXES-IND ROYAL DOMESTIC	2,109.97	0.1 %
EMPLOYEE BENEFITS-IND ROYAL TREATMENT	2,927.69	0.1 %
TOTAL INDEPENDENT-ROYAL TREATMENT	30,840.06	1.0 %
ASSISTED LIVING		
SUPERVISOR SALARY-A.L.	8,702.05	0.3 %
SALARIES-PERSONAL CARE A/L	162,911.52	5.2 %
PAYROLL TAXES-A.L.	13,904.65	0.4 %

EMPLOYEE BENEFIT-A.L.	15,528.76	0.5 %
PATIENT ACTIVITIES SUPPLIES-A.L.	25.34	0.0 %
TOTAL ASSISTED LIVING	201,072.32	6.4 %
SALARY & WAGES CONVENIENT STOR	8,567.35	0.3 %
PAYROLL TAXES	711.96	0.0 %
CONVENIENT STORE SUPPLIES	28,750.15	0.9 %
EMPLOYEE BENEFIT-COVENIENT	709.11	0.0 %
TRANSPORTATION EXPENSE		
SALARIES & WAGES-TRNSP.	7,673.14	0.2 %
PAYROLL TAXES-TRANSP.	623.23	0.0 %
EMPLOYEE BENEFITS-TRANSP.	974.71	0.0 %
VEHICLE DEPRECIATION	8,997.00	0.3 %
VEHICLE EXPENSE	6,789.88	0.2 %
TOTAL TRANPORTATION EXPENSE	25,057.96	0.8 %
TOTAL Expenses	2,847,881.73	90.6 %
OPERATING PROFIT	294,081.33	9.4 %
Other Income & Expenses		
INTEREST INCOME	773.29	0.0 %
TOTAL Other Income & Expenses	773.29	0.0 %
PROFIT BEFORE TAXES	294,854.62	9.4 %
NET PROFIT	294,854.62	9.4 %

WINDSOR POINT INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2023

OPERATING ACTIVITIES		
Net income	$	294,855
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation		45,602
Recognition of deferred revenue		(525,494)
Entrance fee deposits (net of refunds)		563,544
Changes in operating assets and liabilities:		
Accounts receivable		(20,034)
Prepaid expenses		(45,670)
Accounts payable		152,564
Accrued expenses		104,361
Resident funds		-
Net cash provided by operating activities		569,728
INVESTING ACTIVITIES		
Purchase of property and equipment		(242,842)
Payments received on loans to related party		61,598
Net cash used by investing activities		(181,244)
FINANCING ACTIVITIES		
Dividends paid		(400,000)
Net cash used in financing activities		(400,000)
Net decrease in cash		(11,516)
CASH, BEGINNING OF PERIOD		13,390,659
CASH, END OF PERIOD	$	13,379,143

Windsor Point Incorporated

Financial Statements

Years Ended December 31, 2022 and 2021

Windsor Point Incorporated
Table of Contents

Independent Auditor's Reports	F-12 - F-13
Financial Statements	
Balance Sheets	F-14 - F-15
Statements of Income and Retained Earnings	F-16
Statements of Cash Flows	F-17
Notes to Financial Statements	F-18 - F-21

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of
Windsor Point Incorporated

Report on the Financial Statements

We have audited the accompanying financial statements of Windsor Point Incorporated (a North Carolina corporation) which comprise the balance sheet as of December 31, 2022 and 2021, the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Windsor Point Incorporated's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Windsor Point Incorporated 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.

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 generally accepted auditing standards 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 generally accepted auditing standards, 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.*

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www.greenkristcpa.com

- *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 Windsor Point Incorporated'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 Windsor Point Incorporated'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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Windsor Point Incorporated as of December 31, 2022 and 2021, in accordance with accounting principles generally accepted in the United States of America.

Green-Krist CPA PLLC

Cary, North Carolina
May 24, 2023

GREEN-KRIST, CPA PLLC
ACCOUNTING AND TAX SERVICES

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Windsor Point Incorporated
Balance Sheets
December 31, 2022 and 2021

Assets

	2022	2021
Current assets		
Cash		
Checking	$ 5,515,268	$ 4,686,804
Money market	5,149,700	2,548,665
Cash on hand	116,377	111,377
	10,781,345	7,346,846
Accounts receivable, net	119,350	101,377
Other receivable	945,839	554,575
Prepaid expenses	263,069	52,428
Total current assets	12,109,603	8,055,226
Property and equipment		
Office equipment	86,037	46,660
Departmental equipment	544,104	540,304
Furniture and fixtures	322,336	316,898
Leasehold improvements	1,290,553	1,213,227
Vehicles	442,768	442,768
Software	24,876	24,876
	2,710,674	2,584,733
Less accumulated depreciation	(1,658,414)	(1,481,862)
Property and equipment, net	1,052,260	1,102,871
Other assets		
Deposits	-	1,104
Reserves required by State statute - restricted	2,609,315	5,206,899
Notes receivable - related party	925,062	1,300,245
	3,534,377	6,508,248
Total assets	$ 16,696,240	$ 15,666,345

See accompanying notes.

Windsor Point Incorporated
Balance Sheets
December 31, 2022 and 2021

Liabilities and Stockholders' Equity

	2022	2021
Current liabilities		
Accounts payable	$ 247,443	$ 255,201
Accrued expenses	241,437	517,410
Deferred revenue	1,063,457	977,558
Total current liabilities	1,552,337	1,750,169
Long term liabilities		
Deferred revenue	5,908,305	5,037,049
Contractually refundable fees	790,033	691,650
Total long term liabilities	6,698,338	5,728,699
Total liabilities	8,250,675	7,478,868
Stockholders' equity		
Common stock, $1 par, 100,000 shares authorized, 1,000 shares issued and outstanding	1,000	1,000
Retained earnings	8,444,565	8,186,477
Total stockholders' equity	8,445,565	8,187,477
Total Liabilities and Stockholders' Equity	$ 16,696,240	$ 15,666,345

See accompanying notes.

Windsor Point Incorporated
Statements of Income and Retained Earnings
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenues		
Resident fees	$ 11,778,467	$ 10,962,291
Other resident services	8,260	2,275
Miscellaneous resident income	95,463	62,516
Other	669,856	1,366,324
Total revenues	12,552,046	12,393,406
Operating expenses		
Nursing services	2,822,728	2,607,429
Housekeeping	383,121	379,763
Dietary	1,496,519	1,391,959
Plant operation and maintenance	1,226,488	1,155,123
Laundry and linen	69,310	63,673
Social services	36,087	39,338
Patient activities	66,248	55,105
Administrative and general	1,487,359	1,679,743
Depreciation	138,925	134,954
Rent	2,470,800	2,448,000
Property taxes and insurance	410,432	386,967
Transportation	116,298	105,569
Other	108,477	72,662
Total operating expenses	10,832,792	10,520,285
Net income from operations	1,719,254	1,873,121
Other income (expense)		
Interest income	38,834	17,672
	38,834	17,672
Net income	1,758,088	1,890,793
Retained earnings at beginning of year	8,186,477	7,345,684
Dividends	(1,500,000)	(1,050,000)
Retained earnings at end of year	$ 8,444,565	$ 8,186,477

See accompanying notes.

Windsor Point Incorporated
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Net income	$ 1,758,088	$ 1,890,793
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	138,925	134,954
Recognition of deferred revenue	(1,342,982)	(1,561,907)
Net increase in entrance fee deposits	2,437,253	1,716,889
(Increase) decrease in operating assets		
Accounts receivable	(17,973)	341,381
Other receivable	(391,264)	(554,575)
Prepaid expenses	(210,641)	(7,768)
Increase (decrease) in operating liabilities		
Accounts payable	(7,758)	19,138
Accrued expenses	(275,973)	(88,689)
Net Cash provided by operating activities	2,087,675	1,890,216
Cash Flows From Investing Activities		
Purchases of property and equipment	(125,943)	(136,725)
Payments received on related party note receivable	375,183	391,082
Net Cash provided by investing activities	249,240	254,357
Cash Flows From Financing Activities		
SBA Loan	-	(768,900)
Dividends paid	(1,500,000)	(1,050,000)
Net Cash (used in) financing activities	(1,500,000)	(1,818,900)
Net (decrease) increase in cash	836,915	325,673
Cash, beginning of year	12,553,745	12,228,072
Cash, end of year	$ 13,390,660	$ 12,553,745

See accompanying notes.

Note 1 - Description of Business

Windsor Point Incorporated (the Company), incorporated July 7, 1995, is a continuing care retirement community, which provides housing, health care and other related services to its residents. The Company began operations in March 1999.

Note 2 - Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The Company operates and maintains its books and records on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual amounts could differ from these estimates.

Cash Equivalents

For purposes of the statement of cash flows, cash includes amounts on hand and amounts on deposit at financial institutions. The Company occasionally will have amounts on deposit at financial institutions that exceed the FDIC insurance limit.

Accounts Receivables

Accounts receivables are stated at the amount management expects to collect from outstanding balances and are stated net of allowances for doubtful accounts. The allowance for doubtful accounts was $550,000 and $300,000 at December 31, 2022 and 2021, respectively.

Property and Equipment

Equipment is valued at cost. Maintenance and repair costs are charged to expense as incurred. Depreciation is computed using the straight-line method for financial reporting purposes, based on the estimated useful lives of the assets.

Advertising

The Company expenses advertising costs as they are incurred.

Note 2 - Basis of Presentation and Significant Accounting Policies, continued

Income Taxes

The Company has elected, under the Internal Revenue Code, to be taxed as an S corporation. Under such election, each shareholder reports his proportionate share of income or loss on his personal tax return. Accordingly, no provision or liability for federal and state income taxes has been included in the financial statements. Management has evaluated the effect of the guidance provided by the provision of generally accepted accounting principles related to Accounting for Uncertainty in Income Taxes. Management has evaluated all tax positions that could have a significant effect on the financial statements and determined the Company had no uncertain income tax positions at December 31, 2022. Management has determined that there are five open tax years as of December 31, 2022.

Note 3 - Operating Reserve

Operating reserves required by State statute consist of the following:

	2022	2021
Certificates of deposit	$ 2,609,315	5,206,899

Note 4 - Deferred Revenue - Entrance Fees

Residents must pay an entrance fee before being admitted to the Windsor Point community. Entrance fees are retained by the Company at a rate of 2% per month. If a resident leaves Windsor Point before the entrance fee is fully realized, they will be refunded the unrealized portion. For certain residents of Windsor Point, the Company will realize as income an amount no greater than 50% of the entrance fee paid. The balance of contractually refundable entrance fees for 50% equity contracts was $790,033 and $691,650 at December 31, 2022 and 2021, respectively.

For financial reporting purposes, entrance fees are amortized over the remaining life expectancy of the residents in accordance with the American Institute of Certified Public Accountants Audit and Accounting Guide for *Health Care Organizations*. The remaining life expectancy of each resident is adjusted annually.

Note 5 - Leases

The Company leases land and buildings from Stan Johnson & Associates, LLC, a related company. The Company is responsible for repairs, taxes and other expenses. This is a five year lease with two five year extensions and an annual increase of 1%. Rent charged to operations was $2,470,800 and $2,448,000 for the years ended December 31, 2022 and 2021, respectively. Future lease payments are:

2023	2,495,508
2024	2,520,463
Total	$ 5,015,971

Note 6 - Other Related Party Transactions

In addition to the lease described in Note 5, the Company has identified the following related party transactions with stockholders and companies in which there is common ownership:

	2022	2021
Note receivable from related company, due on demand, with a variable rate based on the monthly Federal applicable rate.	$ 925,062	$ 1,300,245

Note 7 - Cash Flow Information

Total cash for cash flow purposes consists of the following:

	2022	2021
Checking	$ 5,515,268	$ 4,686,804
Money market account	5,149,700	2,548,665
Reserves required by State statute - Certificates of deposit	2,609,315	5,206,899
Cash on hand	116,377	111,377
	$ 13,390,660	$ 12,553,745

Note 8 - Concentration of Credit Risk

Cash accounts at banks are insured by the Federal Deposit Insurance Corporation up to $250,000. Amounts in excess of insured limits were approximately $6,792,439 and $6,781,087 at December 31, 2022 and 2021, respectively.

Note 9 - Capital Structure

The Company has one class of stock, designated as common stock. The holders of the common stock have the right to vote on any and all matters of the corporation. Upon the dissolution of the corporation, the holders of the common stock shall have the right to receive the net assets of the corporation.

Dividends, if any, shall be payable on each share of stock when and in the matter declared by the Board of Directors.

Note 10 - Cafeteria Plan

The Company has adopted a cafeteria plan. Under this plan regular full time employees are eligible for participation in the Company's cafeteria plan after the ninety-day introductory period. The cafeteria plan is an IRS qualified plan under Section 125, which allows employees to select from cash or pre-tax dependent care reimbursement, medical/disability expenses reimbursement, employee share of medical insurance and/or vacation reimbursement.

Note 11 - Employee Retention Credit

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") signed into law on March 27, 2020 and the subsequent extension of the CARES Act, the Company was eligible for a refundable employee retention credit subject to certain criteria. The Company recognized a $630,080 and $554,575 employee retention credit at December 31, 2022 and 2021, respectively under Other Revenue. As of December 31, 2022, the Company has a $934,619 receivable balance from the United States government related to the ERC

Windsor Point Incorporated
Forecasted Balance Sheets
Years Ending December 31, 2023 through 2027

LIABILITIES AND STOCKHOLDERS' EQUITY	2023 Year 1	2024 Year 2	2025 Year 3	2026 Year 4	2027 Year 5
Current Liabilities					
Accounts Payable	$ 254,644	$ 262,054	$ 269,680	$ 277,528	$ 285,604
Payroll Related Accruals	248,463	255,692	263,133	270,790	278,670
Deferred Revenue	1,169,803	1,286,783	1,415,461	1,557,007	1,712,708
Total Current Liabilities	1,672,910	1,804,529	1,948,274	2,105,325	2,276,982
Long Term Liabilities					
Long-term Debt	-	-	-	-	-
Deferred Revenue	7,423,346	9,004,574	10,471,222	11,810,489	13,008,284
Contractually Refundable Fees	805,834	821,950	838,389	855,157	872,260
Total Liabilities	9,902,090	11,631,053	13,257,885	14,770,971	16,157,526
Stockholders' Equity					
Common Stock, $1 par value, 100,000 shares authorized; 1,000 issued and outstanding	1,000	1,000	1,000	1,000	1,000
Retained Earnings	6,790,669	6,714,221	6,979,449	7,611,372	8,638,357
Restricted Equity	-	-	-	-	-
Total Stockholders' Equity	6,791,669	6,715,221	6,980,449	7,612,372	8,639,357
Total Liabilities and Stockholders' Equity	$ 16,693,759	$ 18,346,274	$ 20,238,334	$ 22,383,343	$ 24,796,883

See summary of significant forecast assumptions, accounting policies and accountants' report.

Windsor Point Incorporated
Forecasted Statements of Income and Retained Earnings
Years Ending December 31, 2023 through 2027

	2023 Year 1	2024 Year 2	2025 Year 3	2026 Year 4	2027 Year 5
REVENUES					
Monthly Fees-Nsg/Ind Plus/AL/Alzh	$ 4,870,743	$ 5,065,573	$ 5,268,195	$ 5,478,921	5,698,078
Monthly Fees-Independent	5,965,070	6,203,673	6,451,820	6,709,893	6,978,288
Earned Entrance Fees	1,063,457	1,169,803	1,286,783	1,415,461	1,557,007
Meal Revenue	3,500	3,500	4,000	4,500	4,500
Health Care Revenue	-	-	-	-	-
Investment Income	39,865	48,428	56,880	66,001	76,358
Interest Income	25,000	25,000	25,000	25,000	25,000
Contributions/gifts	-	-	-	-	-
Miscellaneous	25,000	25,000	25,000	25,000	25,000
Total Revenues	11,992,635	12,540,977	13,117,678	13,724,776	14,364,231
EXPENSES					
Nursing/Ind Plus/Assisted Living	2,836,842	2,906,345	2,977,550	3,050,500	3,125,237
Dietary	1,504,002	1,540,850	1,578,601	1,617,277	1,656,900
Social Services	36,267	37,156	38,066	38,999	39,954
Patient Activities	66,579	68,210	69,881	71,593	73,347
Laundry & Linen	69,657	71,364	73,112	74,903	76,738
Housekeeping	385,037	394,470	404,135	414,036	424,180
General & Administrative	1,603,815	1,643,108	1,683,364	1,724,606	1,766,859
Plant Operations & Maintenance	1,692,620	1,262,819	1,293,758	1,325,455	1,357,929
Property, Ownership & Use	412,484	422,590	432,943	443,550	454,417
Lease Expense	2,483,154	2,507,986	2,533,066	2,558,397	2,583,981
Transportation	116,879	119,743	122,677	125,683	127,248
Interest	-	-	-	-	-
Depreciation	140,314	142,784	145,297	147,854	150,456
Total Expenses	11,347,650	11,117,425	11,352,450	11,592,853	11,837,246
Net Income	644,985	1,423,552	1,765,228	2,131,923	2,526,985
Beginning Retained Earnings	7,345,684	6,790,669	6,714,221	6,979,449	7,611,372
Dividends	(1,200,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Ending Retained Earnings	$ 6,790,669	$ 6,714,221	$ 6,979,449	$ 7,611,372	8,638,357

See summary of significant forecast assumptions, accounting policies and accountants' report.

Windsor Point Incorporated
Forecasted Statements of Cash Flows
Years Ending December 31, 2023 through 2027

	2023 Year 1	2024 Year 2	2025 Year 3	2026 Year 4	2027 Year 5
Cash Flows from Operating Activities					
Monthly Fees-Nsg/Ind Plus/Asst Lvg/Alzheimer	$ 5,088,961	$ 6,579,795	$ 6,679,878	$ 6,807,568	$ 6,907,654
Monthly Fees-Independent	5,965,070	6,203,673	6,451,820	6,709,893	6,978,288
Entrance Fees-net	1,063,457	1,169,803	1,286,783	1,415,461	1,557,007
Meal Revenue	3,500	3,500	4,000	4,500	4,500
Investment Income	39,865	48,428	56,880	66,001	76,358
Interest Income	25,000	25,000	25,000	25,000	25,000
Miscellaneous	25,000	25,000	25,000	25,000	25,000
Total Operating Cash Receipts	12,210,853	14,055,199	14,529,361	15,053,423	15,573,807
Nursing/Independent Plus/Assisted Living/Alzheimer	2,822,615	2,891,706	2,962,483	3,034,995	3,109,281
Dietary	1,504,002	1,540,850	1,578,601	1,617,277	1,656,900
Social Services	36,267	37,156	38,066	38,999	39,954
Patient Activities	66,579	68,210	69,881	71,593	73,347
Laundry & Linen	69,657	71,364	73,112	74,903	76,738
Housekeeping	385,037	394,470	404,135	414,036	424,180
General & Administrative	663,500	1,652,510	1,693,094	1,734,573	1,777,181
Plant Operations & Maintenance	1,692,620	1,262,819	1,293,758	1,325,455	1,357,929
Property, Ownership & Use	412,484	422,590	432,943	443,550	454,417
Lease Expense	2,483,154	2,507,986	2,533,066	2,558,397	2,583,981
Total Operating Cash Disbursements	10,135,915	10,849,661	11,079,139	11,313,778	11,553,908
Cash Flows Provided by Operating Activities	2,074,938	3,205,538	3,450,222	3,739,646	4,019,900
Purchase of Property & Equipment	(47,626)	(81,044)	(83,880)	(86,816)	(89,855)
Note Receivable - Stan Johnson & Assoc.	390,821	399,179	135,063	-	-
Cash Flows Provided by Investing Activities	343,196	318,135	51,183	(86,816)	(89,855)
Cash Flows from Financing Activities					
Dividends paid	(1,200,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Cash Flows Used by Financing Activities	(1,200,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Net Increase in Cash	1,218,134	2,023,673	2,001,405	2,152,830	2,430,045
Cash at Beginning of Year	13,390,660	14,608,794	16,632,467	18,633,872	20,786,702
Cash at End of Year	$ 14,608,794	$ 16,632,467	$ 18,633,872	$ 20,786,702	$ 23,216,746

See summary of significant forecast assumptions, accounting policies and accountants' report.

Windsor Point Incorporated
Forecasted Statements of Cash Flows
Years Ending December 31, 2023 through 2027

	2023 Year 1	2024 Year 2	2025 Year 3	2026 Year 4	2027 Year 5
Supplemental Disclosure of Cash Flow Information					
Interest paid	$ -	$ -	$ -	$ -	$ -
Income taxes paid	$ -	$ -	$ -	$ -	$ -

See summary of significant forecast assumptions, accounting policies and accountants' report.

Windsor Point Incorporated
Fuquay-Varina, North Carolina
Summary of Significant Forecast Assumptions and Accounting Policies
December 31, 2023 through 2027

NATURE OF THE FORECASTS - This financial forecast presents, to the best of management's knowledge and belief, the Company's expected financial position, results of operations, and cash flows for the forecast period. Accordingly, the forecast reflects its judgement as of May 24, 2023, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

OPERATIONS - Windsor Point Incorporated (the Company) was incorporated July 7, 1995, to serve as a continuing care retirement community.

BASIS OF ACCOUNTING - The Company operates and maintains it books and records on the accrual basis of accounting in accordance with generally accepted accounting principles.

FIXED ASSETS - The Company leases the facilities and most of its furniture and equipment from Stan Johnson & Associates, LLC, (a related company). The Company purchased vehicles, furniture and equipment during the years ended December 31, 1998 through 2022. Depreciation is computed on the straight-line method, based on the estimated useful lives of the assets.

NOTE RECEIVABLE - STAN JOHNSON & ASSOCIATES - This note represents loans that are used to finance buildings at Windsor Point. The annual interest rate is variable based on the mid-term federal applicable rate. Payments are made at borrowers option. The loan is secured by personal guarantees of Florence Johnson.

INCOME TAXES - For income tax purposes, the Company recognized income and expense on the accrual basis. The Company, with the consent of its shareholders, has elected under the Internal Revenue Code to be an "S" Corporation. In lieu of corporation income taxes, the shareholders of an "S" corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

DIVIDENDS - Dividend distributions are at the discretion of the Board of Directors. Dividends are forecasted based on the income taxes projected to be incurred by the stockholders since the income of the Company is reported on the stockholders' income tax returns.

REFUNDABLE ENTRANCE FEES - The Company has two types of residence and care fee agreements that it offers its residents. Under both of these agreements, a portion of each resident's entrance and care fee may be refundable after the resident terminates his/her stay at Windsor Point. For life occupancy contracts and fifty percent equity contracts, this refund is due and payable within thirty days after the vacated residence is re-occupied. For our forecast we assumed that all residents will choose the life occupancy contract option since approximately ninety-five percent of current residents have chosen this option.

STATEMENT OF CASH FLOW - For simplification, the Company has adjusted nursing expenses for all accrued expenses. This method of allocation of accrued expenses has no impact on the overall cash from operations.

Windsor Point Incorporated
Fuquay-Varina, North Carolina
Summary of Significant Forecast Assumptions and Accounting Policies
December 31, 2023 through 2027

FORECAST ASSUMPTIONS -

Monthly service fees were increased by 4% for years one through five (existing residents service fees increased by 4% while new residents service fees increased by 10%. Due to the fact the forecast does not allocate service fees between existing or new residents, we have used 4% in the forecast). The Company's monthly fees have generally increased at an annual rate of 1.75% to 3.5% for the past five years.

Investment income was computed by assuming approximately a 1.8% return on investments from entrance fee deposits, operating reserves, and other excess cash held for temporary investments.

Direct costs include nursing services, dietary, social services, patient activities, laundry and housekeeping. Indirect costs include general and administrative, plant operations and maintenance, and property ownership and use.

Salaries were computed by taking the actual salary rates paid by Windsor Point for the prior year, and inflating them by approximately 2.45%. Planned increases and reductions in staff were taken into account in calculating salaries.

Employee benefits and payroll taxes, such as FICA taxes, unemployment taxes, insurance, etc., generally average 13% of salaries. This percentage was used for each year.

Supply costs such as medical supplies, drugs, raw food, and other supplies were obtained through past experience and inflated by 2.45% .

Dietary costs have been computed using the same inflation rates as supply costs, and assuming that all residents will eat three meals per day in the facility.

Other costs such as travel, repairs, insurance, taxes, etc., were derived through past experience and inflated by 2.45%. Fixed costs such as amortization and lease payments were inflated at a rate of 1.0%. Depreciation was based upon the useful lives of the equipment.

Windsor Point Incorporated leases its facilities to include most furniture and equipment from Stan Johnson & Associates, LLC, (a related company). The Lease payments approximate Stan Johnson & Associates minimum mortgage payment requirements plus an amount agreed upon by the management of Windsor Point Incorporated and Stan Johnson & Associates, LLC.

We have computed the operating reserve requirement for North Carolina General Statute 58-64-33 at 25% of the total operating cost projected for each subsequent 12 month period for year 2023 through 2027. The facility has historically maintained an occupancy level of at least 88% - 90%. Operating cost excludes depreciation, amortized expenses, and extraordinary items. Income and advances from owners shall be the primary sources of funds for the operating reserves. The treasurer of Windsor Point will be the custodian of these funds and shall only release funds upon the approval of the Department of Insurance. Operating reserves are kept by the Company in the form of cash, cash equivalents and temporary cash investments.

Windsor Point Incorporated
Fuquay-Varina, North Carolina
Summary of Significant Forecast Assumptions and Accounting Policies
December 31, 2023 through 2027

FORECAST ASSUMPTIONS -

Windsor Point Incorporated states in its resident agreement that entrance fees will be amortized over a period of 50 months (2% every month). For financial reporting purposes these entrance fees are amortized using the remaining life expectancy of the residents. We assumed terminations would occur based on prior years experience.

Windsor Point Incorporated

Explanation of Significant Differences

Windsor Point Incorporated
Explanation of Material Differences
For the Year Ended December 31, 2022

The following explanation is furnished pursuant to Section 58-64-30 of the General Statutes of North Carolina. The explanation pertains to material differences between Windsor Point Incorporated Forecasted Balance Sheets, Statements of Operations and Cash Flows for the year ended December 31, 2022, included in the Disclosure Statement dated May 30, 2022 and the actual financial position, results of operations and cash flows as of and for the year ended December 31, 2022, as shown in the audited financial statements. See the summary Balance Sheets, Statements of Operations and Cash Flows behind this narrative for amounts and percentages.

For purposes of this narrative, "material" differences are considered to be variances of $500,000 or 10% of line item amounts.

1. Cash -Cash was greater than forecasted by $733K (14.96%) due to the company not investing excess cash.

2. Temporary Investments -Temporary Investments was less than forecasted by $1.58M (23.55%) due to the company not renewing certain Certificates of Deposit.

3. Resident Receivables - Resident receivables were lower than forecasted by $149K (55.56%). The forecasted financials did not take into account the increase to allowance for bad debt relating to past due Medicare billings. Medicare billing is specialized and training a new employee takes months. The Company was able to allocate resources to hiring a Medicare expert to assist with the billing and collections of past due claims.

4. Prepaids & Other Current Assets - Prepaids & Other Current Assets were greater than forecasted by $1.15M (2158.42%) due to an additional $630K Employee Retention Credit claimed in 2022. The Company also prepaid January 2023 rent totaling $210K.

5. Notes Receivable - Notes receivable was greater than forecasted by $86K (10.31%) due to the fact the forecast did not take into account the decrease in the monthly payment on this note.

6. Other Accruals - Other Accruals for the year was $291K (124.8%) less than forecasted. Forecast included amount received from the Provider Relief Fund (PRF) which was utilized in 2022.

7. Deferred Revenue - Deferred revenue for the year was $305K (22.29%) less than forecasted. Entrance fees refunded for the year were slightly higher than forecasted, resulting in a lower Deferred Revenue balance.

8. Contractually Refundable Fees - Contractually refundable fees for the year was $85K (11.98%) greater than forecasted. Lower number of residents with refundable fees vacated in 2022 as was forecasted.

Windsor Point Incorporated
Explanation of Material Differences
For the Year Ended December 31, 2022

9. Retained Earnings - Retained earnings for the year was $1.08M (14.7%) greater than forecasted. Forecasted net income exlcuded the additional Employee Retention Credit.

10. Interest Income - Interest Income was $35K (48.96%) less than forecasted due to actual interest rates lower than what was forecasted.

11. Misc. Income - Misc. income was $743K (2970.18%) greater than forecasted due to the forecast excluding the additional Employee Retention Credit.

12. Patient Activities - Patient activities was $11K (19.62%) higher than forecasted due to increased employee costs and training costs.

13. Cash flows from Operating Activities - Cash from entrance fees was higher than forecasted by $365K (37.38). Cash from misc. income was greater than forecasted by $739K (2955.98%). Forecast excluded cash received from the Employee Retention Credit.

14. Patient Activities - Cash used for patient activites was higher than forecasted by $11K (19.62%). Increase in employee cost was not reflected in the forecast.

15. General & Administrative - Cash used for general & administration was greater than forecasted by $388K (32.14%) due to the increase in bad debt recognition.

16. Purchase of Property & Equipment - Cash used to purchase property and equipment was greater than forecasted by $81K (179.99%). There were leasehold improvements of $79K which comprises the majority of expenditures which were not anticipated when preparing the forecast.

17. Note Receivable - Related Party - Cash used for note receivable - related party was less than forecasted by $86K (18.72%). The monthly payment amount on the note has been adjusted to account for the monthly amount paid for real property purchased, which was excluded in the forecast.

18. Dividends Paid - Cash used for dividends paid was greater than forecasted by $500K (50.0%). Dividends paid is discretionary and a higher amount was paid due to higher net income for the year.

Windsor Point, Inc.
Fuquay-Varina, North Carolina
Balance Sheet -- Comparison of Forecast to Actual
For the Year Ending December 31, 2022
Threshold > $500,000 or 10%

	2022 Actual	2022 Forecast	Amount Over (Under) Forecast	Variance	
ASSETS					
Current Assets					
Cash	$ 5,631,645	$ 4,898,943	$ 732,702	14.96%	1
Temporary Investments	5,149,700	6,736,221	(1,586,521)	-23.55%	2
Resident Receivables	119,350	268,543	(149,193)	-55.56%	3
Prepaids & Other Current Assets	1,208,908	53,529	1,155,379	2158.42%	4
Total Current Assets	12,109,603	11,957,236	152,367	1.27%	
Property & Equipment					
Property & Departmental Equipment	2,267,906	2,186,946	80,960	3.70%	
Transportation Equipment	442,768	452,066	(9,298)	-2.06%	
Less Accumulated Depreciation	(1,658,414)	(1,512,981)	(145,433)	9.61%	
Total Equipment	1,052,260	1,126,031	(73,771)	-6.55%	
Other Assets					
Note Receivable - Stan Johnson & Assoc	925,062	838,637	86,425	10.31%	5
Reserves Required by State Statute-Restricted	2,609,315	2,609,315	-	0.00%	
Total Other Assets	3,534,377	3,447,952	86,425	2.51%	
Total Assets	$ 16,696,240	$ 16,531,219	$ 165,021	1.00%	
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities					
Accounts Payable	$ 247,443	$ 262,627	$ (15,184)	-5.78%	
Payroll Related Accruals	241,437	532,467	(291,030)	-54.66%	6
Deferred Revenue	1,063,457	1,368,581	(305,124)	-22.29%	7
Total Current Liabilities	1,552,337	2,163,675	(611,338)	-28.25%	
Long Term Liabilities					
Deferred Revenue	5,908,305	6,298,475	(390,170)	-6.19%	
Contractually Refundable Fees	790,033	705,483	84,550	11.98%	8
Total Long Term Liabilities	6,698,338	7,003,958	(305,620)	-4.36%	
Total Liabilities	8,250,675	9,167,633	(916,958)	-10.00%	
Stockholders' Equity					
Common Stock	1,000	1,000	-	0.00%	
Retained Earnings	8,444,565	7,362,586	1,081,979	14.70%	9
Total Stockholders' Equity	8,445,565	7,363,586	1,081,979	14.69%	
Total Liabilities and Stockholders' Equity	$ 16,696,240	$ 16,531,219	$ 165,021	1.00%	

Windsor Point, Inc.
Fuquay-Varina, North Carolina
Statement of Income -- Comparison of Forecast to Actual
For the Year Ending December 31, 2022
Threshold > $500,000 or 10%

	2022 Actual	2022 Forecast	Amount Over (Under) Forecast	Variance	
REVENUES					
Resident fees & services	$ 11,786,727	$ 11,493,737	292,990	2.55%	
Interest Income	36,609	71,728	(35,119)	-48.96%	10
Miscellaneous income	767,544	25,000	742,544	2970.18%	11
Total Revenues	12,590,880	11,590,465	1,000,415	8.63%	
EXPENSES					
Nursing/Ind Plus/Assisted Living	2,822,728	2,620,466	202,262	7.72%	
Dietary	1,496,519	1,398,919	97,600	6.98%	
Social Services	36,087	39,535	(3,448)	-8.72%	
Patient Activities	66,248	55,381	10,867	19.62%	12
Laundry & Linen	69,310	63,991	5,319	8.31%	
Housekeeping	383,121	381,662	1,459	0.38%	
General & Administrative	1,595,836	1,761,167	(165,331)	-9.39%	
Plant Operations & Maintenance	1,226,488	1,160,899	65,589	5.65%	
Property, Ownership & Use	410,432	388,902	21,530	5.54%	
Lease Expense	2,470,800	2,460,240	10,560	0.43%	
Transportation	116,298	106,097	10,201	9.61%	
Depreciation	138,925	136,304	2,621	1.92%	
Total Expenses	10,832,792	10,573,563	259,229	2.45%	
Net Income	$ 1,758,088	$ 1,016,902	$ 741,186	72.89%	

Windsor Point, Inc.
Fuquay-Varina, North Carolina
Statement of Cash Flows -- Comparison of Forecast to Actual
For the Year Ending December 31, 2022
Threshold > $500,000 or 10%

	2022 Actual	2022 Forecast	Amount Over (Under) Forecast	Variance	
Cash Flows from Operating Activities					
Monthly Fees-Nsg/Ind Plus/Asst Lvg/Alzheimer	$ 4,708,101	$ 4,796,517	(88,416)	-1.84%	
Monthly Fees-Independent	5,735,644	6,155,008	(419,364)	-6.81%	
Entrance Fees	1,342,982	977,558	365,424	37.38%	13
Meal Revenue	3,548	3,500	48	1.37%	
Investment Income	-	46,728	(46,728)	-100.00%	13
Interest Income	36,609	25,000	11,609	46.44%	13
Miscellaneous	763,996	25,000	738,996	2955.98%	13
Total Operating Cash Receipts	12,590,880	12,029,311	561,569	4.67%	
Nursing/Independent Plus/Assisted Living/Alzheimer	2,493,141	2,355,582	137,559	5.84%	
Dietary	1,496,519	1,398,919	97,600	6.98%	
Social Services	36,087	39,535	(3,448)	-8.72%	
Patient Activities	66,248	55,381	10,867	19.62%	14
Laundry & Linen	69,310	63,991	5,319	8.31%	
Housekeeping	383,121	381,662	1,459	0.38%	
General & Administrative	1,595,836	1,207,693	388,143	32.14%	15
Plant Operations & Maintenance	1,226,488	1,160,899	65,589	5.65%	
Property, Ownership & Use	410,432	388,902	21,530	5.54%	
Lease Expense	2,470,800	2,460,240	10,560	0.43%	
Transportation	116,298	106,097	10,201	9.61%	
Depreciation	138,925	136,304	2,621	1.92%	
Total Operating Cash Disbursements	10,503,205	9,755,205	748,000	7.67%	
Cash Flows provided by operating activities	2,087,675	2,274,106	(186,431)	-8.20%	
Cash Flows from Investing Activities					
Purchase of Property & Equipment	$ (125,942)	$ (44,981)	(80,961)	179.99%	16
Payments Received on Note Receivable-Related Party	375,183	461,608	(86,425)	-18.72%	17
Cash Flows provided by investing activities	249,241	416,627	(167,386)	-40.18%	
Cash Flows from Financing Activities					
Dividends paid	(1,500,000)	(1,000,000)	(500,000)	50.00%	18
Cash Flows (used by) financing activities	(1,500,000)	(1,000,000)	(500,000)	50.00%	
Net Increase in Cash	836,916	1,690,734	(853,817)	-50.50%	
Cash, Beginning of Year	12,553,745	12,553,745	(0)	0.00%	
Cash, End of Year	13,390,660	14,244,479	(853,819)	-5.99%	
	13,390,660				
	(0)				

RESIDENT AGREEMENT

Continuing Care Contract 2023/2024

This Agreement made this ____ day of _____, 20__, is between WINDSOR POINT INCORPORATED, a North Carolina corporation which operates a Continuing Care Retirement Center in Fuquay-Varina, North Carolina (referred to as "WINDSOR POINT" or "CORPORATION"), and _____ (referred to as "YOU" or "RESIDENT," regardless whether this Agreement is executed by one or two individuals). The corporation is organized for the purpose of furnishing housing and health care to elderly persons in a community setting.

I. Effective Date of Occupancy

Date of Occupancy is defined as the date monthly fees are assessed and entrance fees begin to be amortized whether the resident has moved into the unit or not.

The effective Date of Occupancy will be the date when the Living Unit specified in Section III.A. is available, and is expected to be on _____. Approximately forty-five (45) days prior to availability of the Living Unit, Windsor Point will notify the applicant and will request final qualification information. The applicant may choose to defer occupancy until a later date, but such deferral will forfeit the right to occupy the Living Unit specified in Section III-A unless he/she chooses to continue to hold this unit by beginning payment of monthly fees. If occupancy is deferred, the applicant will remain on the priority waiting list until a comparable Living Unit becomes available. Until the Date of Occupancy, Windsor Point reserves the right to re-evaluate the applicant's admission qualifications and to withdraw its acceptance of this Agreement.

II. Fees Charged to Resident

Applicants need to provide a comprehensive, confidential financial statement including income, assets, and debts acceptable to Windsor Point demonstrating that the applicant has sufficient financial resources. Verification of financial information by banks, trust officers, etc. will be required. Windsor Point will have a committee review all information and determine financial eligibility. However, it is the responsibility of every resident to seek financial advice on their ability to meet future costs and identify any personal financial risks, if any.

A. Entrance Fee

The resident will enter Windsor Point under the following resident Payment Plan checked and signed below:

LIFE OCCUPANCY PLAN _____

RESIDENT'S SIGNATURE _____

50% LIFE EQUITY PLAN _____

RESIDENT'S SIGNATURE _____

1. **Windsor Point will make available all services** and facilities outlined in this Agreement in return for resident's payment of a non-refundable, $200.00 application fee, an Entry Fee in the amount of $_____, and payment of the monthly Service Fee as provided below.

2. **Upon preliminary acceptance** of this Agreement by Windsor Point, a Reservation Deposit for the desired Living Unit in the amount of 10% of the above stated Entry Fee in the amount of $_____, will be due.

   This contract may cancelled at any time within thirty (30) days following the later of the execution of this Agreement or the receipt of a disclosure statement. The resident to whom the contract pertains is not required to move into the facility before the expiration of the 30-day period.

   If a resident dies before occupying a living unit, or if, on account of illness, injury, or incapacity, a resident would be precluded from occupying a living unit under the terms of the contract for continuing care, the contract is automatically canceled.

   For rescinded or canceled contracts, within the 30 day period the resident or the resident's legal representative shall receive a refund of all money or property transferred to Windsor Point, less (1) periodic charges specified in the contract and applicable only to the period a living unit was actually occupied by the resident; (2) those nonstandard costs specifically incurred by the Windsor Point at request of the resident and described in the contract or any contract amendment signed by the resident; (3) nonrefundable fees, if set out in the contract; and a reasonable service charge, if set out in the contract, not to exceed the greater of one thousand dollars or two percent of the entrance fee. The refund will be given within 60 days of receiving written notice. If the resident cancels the contract after the thirty (30) day period, the refund will be delayed until a replacement resident is obtained for the unit.

   Independent residents are encouraged to take occupancy of a unit no later than 30 days after signing the Resident Agreement. However, no unit will be held more than 45 days after signing the Resident Agreement. After 45 days, the balance of the entrance fee is due and monthly fees will be assessed. (Independent Plus residents or Health Care residents are required to move in within 31 days of signing the Resident Agreement).

3. **Upon final approval** for admission, the balance of the Entry Fee in the amount of $_____ associated with the desired Living Unit will be payable to Windsor Point at least thirty days prior to the Date of Occupancy.

4. **The Entry Fee** is paid by the resident as a condition of entrance into Windsor Point and the Corporation reserves the right to apply these funds against its capital indebtedness or for any purpose deemed proper within the scope of all applicable state laws, generally accepted accounting principles, and Windsor Point's corporate charter.

5. **Entrance Fees may be** put in escrow as explained in Section IV.A.

B. Monthly Service Fee:

A non-refundable Monthly Service Fee of $_____ is due by the 5th day of the month, for services to be rendered in that month. The Monthly Service Fee will vary depending upon the type of Living Unit occupied, and the type of services requested by the resident over and above those included in the standard fee, as outlined in Section III.B. The Monthly Service Fee may be adjusted by Windsor Point prior to occupancy of the living accommodation by the resident if changes in the projected costs of providing the services outlined within so require.

Monthly Service Fees paid to WINDSOR POINT are not refundable to the resident in part or in full after occupancy by a resident except in Kelly Health Care.

The Monthly Service Fee supports the facilities, programs, and services described in this Agreement. This fee is intended to meet the cost of insurance, maintenance, administration, staffing, and other expenses including debt service. Windsor Point shall have the authority to adjust the Monthly Service Fee at its discretion in order to reflect changes in the cost of providing the facilities, programs and services described herein while operating on a sound financial basis and maintaining quality of services. Resident agrees that should the Monthly Service Fee be adjusted, resident will pay such adjusted rate. However, no increase in the fee will take effect earlier than thirty (30) days after written notice of the increase is given to the resident.

Windsor Point will furnish monthly statements to the residents showing the amount due for the Monthly Service Fee and any other sums chargeable to the resident under this Agreement. At this time there are no fee adjustments given for absentee residents unless a resident is absent for more than 90 consecutive days. A request for a monthly service fee reduction must be made in writing prior to the departure. There are no reductions for those who may choose not to use any services covered under the monthly fee.

III. Accommodations and Services

A. Living Unit

Subject to the terms of this Agreement, resident shall have the unassignable right to occupy the Living Unit described as _____ for the duration of this Agreement.

B. Residential Services

Windsor Point agrees to provide to the resident services outlined in this Agreement, for the Monthly Service Fee specified. Some services not covered by the Monthly Service Fee will require separate payment by the resident. Those services included in the Monthly Service Fee and those requiring extra payment are described below.

26. **Meals**: The Monthly Service Fee covers 365 meals a year per resident in the Independent Living Units. Independent residents are required to use one fourth of these meals per quarter. Any meals not used during a quarter will be forfeited. Up to six carry-over meal credits a month may be used for family or friends or other residents. Guest meal credits must be carried over from meals missed in the previous months.

    For residents of Regency Court Independent Plus and the Kelly Health Facility, three meals per day will be provided in their designated dining rooms. A continental breakfast is also included for independent residents in Royal Treatment. No meal credits will be issued to the residents of Regency Court or Kelly Health Care.

    Windsor Point makes additional meals available to the Independent Living Unit residents at published charges. In Kelly Health Care when a physician prescribes special diets, they are made available to the resident at no extra charge. Dietary supplements, such as Ensure, Sustacal, etc. are considered treatment and charged accordingly.

    Meals may be delivered to Independent Living Units on a short-term basis, subject to approval from Windsor Point. Otherwise, there is a small charge for meal delivery to Independent Living Units. All residents are encouraged to eat in the main dining room where wait staff is available for residents who need assistance. Menu Service is available at most meals.

    Guests are welcome at all meals except certain holiday dinners and special functions which require reservations and are for Windsor Point residents only. There is an additional charge for guest meals. A catering service is available to residents at cost and private dining is available by appointment with a special charge for wait staff and clean-up.
    At least two entrees are available at each meal. Variety is a major consideration in menu design so that a wide range of personal tastes can be accommodated. Also, resident input is requested so that meals reflect the preferences of members of the community.

    Windsor Point utilizes the services of a Registered Dietitian so those nutrition programs can be offered to residents and so that therapeutic diets for residents of the Kelly Health Facility can be prepared.

    Reservations for guests are required twenty-four hours in advance. Policies for Regency Court and Kelly Health Care residents eating in the independent dining room are available from the marketing department.

27. **Utilities:** The Monthly Service Fee includes the cost of electricity, water, and sewer service, light, heat, and air conditioning. However, each resident is responsible for the cost of telephone and cable services. In Regency Court and Kelly Health Care Center basic cable is included in monthly fees.

28. **Furnishings**: Windsor Point provides carpeting, blinds, range, refrigerator, oven, microwave, and dishwasher for each Independent Living Unit, as specified in published literature. Washers and dryers are available in most units. Light bulbs are supplied and changed in all outside fixtures by Windsor Point Staff. If requested by resident, light bulbs in Independent units are changed by

maintenance staff and are available at cost. All other Living Unit furnishings and furniture are provided by the resident.

Rooms in the Kelly Health Facility are furnished with all appropriate items. A resident may choose to substitute personal furnishings, subject to approval by Windsor Point.

29. **Security, Fire, and Emergency Services**: Windsor Point provides 24-hour security services for the living areas and grounds of the community. Personnel are available to respond to emergency calls at all times. They patrol the grounds and check unfamiliar vehicles or pedestrians. Finally, security staff and key personnel have passkeys that allow entry into all Living Units for emergency purposes. A daily check system is implemented to ensure the health and welfare of all residents.

    Each Independent Living Unit and all areas of the Kelly Health Facility are equipped with smoke alarms and emergency call systems. Also, all public areas have a smoke detector and are connected to a central panel monitored by staff of the community. Fire extinguishers are located in all public areas, and fire drills are conducted routinely in the Kelly Health Facility.

    An emergency generator system is used to provide back-up power to the Kelly Health Facility and to selected kitchen equipment so that there can be limited service during a power outage.
30. **Housekeeping**: All residents are expected to maintain the Living Units in a clean, sanitary, and orderly condition. However, several routine housekeeping services are included in the Monthly Service Fee, specifically vacuuming, dusting, and cleaning of units once per week. Time spent on each Living Unit will vary with the size of the Living Unit. Windsor Point determines time spent. Additional housekeeping services may be purchased at published rates, subject to approval of Windsor Point.

    In our Regency Court Units, housekeeping services are provided on a weekly basis and for incidentals as needed. Housekeeping services are provided daily in the Kelly Health Facility for no additional charge.

    Windsor Point provides pest control in our facility on a quarterly basis at no extra charge to the resident. If additional treatment is required, residents may be responsible for the cost, depending upon the circumstances.

31. **Laundry**: The Monthly Service Fee includes the weekly changing of resident's bed linens, if desired by a resident. Windsor Point can make arrangements for a resident's personal laundry or dry cleaning for an additional charge. However, personal laundry (but not dry cleaning) is provided at no cost to residents of the Kelly Health Facility. Laundry for Regency Court is picked up and returned once a week.

32. **Maintenance:** Windsor Point maintains and repairs the community's property and equipment in the Living Units and the common facilities at no extra charge to the resident unless repairs are necessitated due to the actions of the resident or persons under the resident's charge. Work orders will be scheduled according to their priority.

Windsor Point will periodically redecorate Living Units and common areas when deemed necessary by Windsor Point. Any other redecoration scheduled by the resident will require management approval and be at the resident's expense. Handyman services may be purchased through the management staff. Repairs, maintenance, and replacement of resident's own property will be the responsibility of the resident. Light bulbs will be replaced by maintenance. Bulbs are available at cost for the cottages and apartments.

Any structural or physical change of any kind such as painting, wallpapering or replacement of floor treatments or appliances within the living accommodations will be made only after approval by management. The resident is responsible for the cost of any changes made for aesthetic reasons and is required to use contractors approved or provided by Windsor Point.

All items attached to walls, except pictures, will remain. The cost of any change requested by the resident will be borne by the resident unless otherwise agreed to in writing. The value of any such improvements will not be considered when computing a refund formula and the Corporation will have vested ownership in such improvements.

If a resident smokes in his/her apartment or cottage, their unit must be environmentally cleaned on a quarterly basis (or more often, if deemed necessary by Windsor Point management) to remove the scent of smoke from the air. The cost of this cleaning will be paid for by the resident.

33. **Trash Removal**: Windsor Point removes trash from designated trash collection areas located throughout the community. Collection times and places will be given to each resident upon entrance into the community. All independent living residents are responsible for transporting personal refuse to the designated collection areas. Recycling is the responsibility of each resident who wants to participate and bins for newspaper recycling are available on the property.

    In Regency Court and Kelly Health Care, trash is picked up as needed. Recycling is the responsibility of each resident who wants to participate.

34. **Grounds**: The Monthly Service Fee includes the basic maintenance of all outdoor spaces, and the provision of attractive landscaping for the grounds of the community. A resident may purchase additional landscaping services from Windsor Point. Personal planting of flowers, trees, or shrubs must be approved by Windsor Point, is at the resident's own expense, and must be maintained by the resident.

35. **Storage**: Limited, separate, locked storage space is assigned to specific units for residents residing in the main building. Enclosed storage is connected to each living unit in the free-standing apartment buildings.

36. **Parking**: Each Living Unit will be provided with one parking space at no extra charge. Due to limited space, no RVs, boats, trailers, or abandoned vehicles can be stored on the grounds.

37. **Scheduled Transportation**: The community provides **scheduled** transportation to shopping areas at no extra charge. Most transportation for activities scheduled by Windsor Point is at no additional expense. Pre-scheduled transportation to medical appointments within a fifteen-mile radius is also

provided for residents on a weekly basis. Pre-scheduled transportation for doctor appointments outside this fifteen-mile area is provided twice a month. Every effort is made to accommodate specific times, however, it may be necessary to re-schedule some appointments to a time or date when transportation is available. There may also be a fee for mileage outside a 15 mile radius or excessive medical appointments.

Residents who organize special activities or who require transportation at unscheduled times may be required to pay an extra fee. There may be a nominal fee for residents that have continual doctor's appointments. (Ex. Dialysis three times a week)

Many residents use Windsor Point transportation. This means, at times, residents have to wait to be picked up at appointments. Every effort is made to provide timely and efficient transportation to all our residents. **All transportation provided by Windsor Point must be scheduled in advance through the transportation director.** All residents must sign a transportation waiver in order to take advantage of this service.

Transportation to appointments for services (such as therapy) already offered at Windsor Point will be provided according to availability on the transportation schedule and will incur a nominal charge per trip.

Windsor Point offers an accompaniment service for residents who have medical appointments outside of the community and who need assistance. The service is available by appointment only, and there is a nominal charge per trip. The cost of any transportation by ambulance or other transportation service is the responsibility of the resident.

38. **Community Facilities**: The community offers numerous common areas for use by residents. These include a multi-purpose auditorium, a large dining room, lounges throughout the complex, library, activity rooms, lobby areas, a convenience store, a wellness center with indoor pool and exercise room, and a beauty and barber shop. All of these facilities are available to residents at no extra charge, except for special dining arrangements or special group activities or services provided. Some charges may be necessary for the use of supplies in arts and crafts areas and for store purchases. Such charges are published in Windsor Point literature.

39. **Community Activities**: The community provides programs and opportunities designed to meet the physical, social, and psychological needs of residents. Most of these activities are free to those who wish to participate. However, special trips or cultural events may require a charge to the resident.

40. **Pets**: Residents are allowed to keep pets that are appropriate in size, subject to prior approval by Windsor Point. Residents must abide by administrative rules regarding pets and must have a signed, written plan for disposition of the pet if the resident becomes unable to care for the animal. At a minimum, residents are required to maintain necessary vaccinations as required by law; to keep pets on a leash at all times when on public grounds; to clean up after pets; and, to pay for any damage caused by pets to property of the community. Windsor Point reserves the right to deny any pets, if it is determined that the resident can no longer care for the pet or if the pet presents a problem to the community. An extensive pet policy is executed upon entrance to Windsor Point.

41. **Deliveries**: Residents may arrange for newspaper and magazine deliveries or may utilize services such as UPS or Federal Express at their own expense.

42. **Information Resources**: Many of our residents are informed of events in the community via email however, bulletin boards, bulletins, activity calendars, and newspapers are placed throughout the complex. The Resident's Association will also be kept informed of current and future events.
43. **Insurance**: Windsor Point maintains insurance coverage for the community's facilities and equipment. Residents need to maintain insurance coverage for personal property. Policies are readily available and are similar to policies issued to renters.

44. **Mail**: Each resident in independent apartments is assigned an individual, locked postal box. Cottages have mailboxes outside the cottage. Items too large to be placed in the mailbox may be picked up at the receptionist's desk. Mail for residents of Regency Court and the Kelly Health Facility is handled through a central mail receptacle; such mail is picked up and distributed on a daily basis to each room.

45. **Alcoholic Beverages**: Independent Residents are allowed to consume alcoholic beverages in their units and in designated areas at designated times. It is resident's responsibility to limit their usage of alcohol so they will not be impaired. It is also the resident's responsibility to confer with their doctor to ensure that their prescribed medicines do not have an adverse reaction to the consumption of alcohol. It is the resident's responsibility to ask for help if he/she inadvertently drinks too much. Residents are responsible for any destruction to property or injury to themselves or others due to alcohol use. Windsor Point reserves the right to limit alcohol use if it determines there is a problem with a resident's alcohol consumption.

    Residents may be asked to sign a waiver if they choose to consume alcohol.

46. **Drugs**: Prescription and non-prescription drug costs are the responsibility of each resident. All residents may purchase prescription drugs from whatever source they choose. However, in Regency Court and the Kelly Health Facility, medication is usually purchased from the Windsor Point Pharmacy, a private pharmacy on the facility premises. If residents choose to use another Pharmacy, while in Regency Court or the Health Care Facility, the resident's family will be responsible for obtaining refills. Refills should be provided in time to ensure the resident has the needed medication. If it becomes necessary for Windsor Point to provide medication for residents, the resident will be responsible for these charges.

47. **Keys:** Upon taking occupancy at Windsor Point all residents are given keys to their apartment or cottage as well as their storage unit. Upon vacating this unit, all keys must be returned to a member of Windsor Point management staff. If the resident is changing units on Windsor Point property, keys will be given for the resident's new unit. Monthly fees will be adjusted to that of the new unit only when keys to the resident's old unit have been returned to Windsor Point management. If keys are not returned to Windsor Point Management, the cottage or apartment in question will be rekeyed.

    There will be a $5.00 charge for replacement keys and a $150 charge for rekeying locks to apartments or cottages.

48. **Royal Treatment** Royal Treatment is available on certain floors of the Thompson Building for a specified monthly rate published in this Disclosure Statement. Residents partaking of this service will be entitled to a continental breakfast and a choice of lunch or dinner daily, escort service to meals and activities, medication reminders, help with laundry and a staff member available by cell phone 24 hours a day as well as all other services offered in independent living.

49. **Health Care Services:** Services provided by Windsor Point which are included in the base fee for Health Care Residents are: living accommodations, three meals daily plus snacks, basic nursing care, activities, housekeeping, scheduled transportation and all utilities except for telephone service.

50. **Health Care Services Available at Extra Charge:** Services that are not covered by Windsor Point for Health Care Residents are: physicians, therapy, ambulance transportation, medical/surgical specialists and practitioners, hospital costs, all drugs and special treatments, wheelchairs, hair salon services and basic supplies.

IV. Financial Provisions

A. Conditions for Refund:

Upon the termination of this Agreement as a result of the death of resident, or upon the departure of resident from Windsor Point, the resident may be entitled to a refund of the Entry Fee according to the provisions outlined below for the resident Payment Plan previously chosen by the resident. Refunds will be payable to the resident only upon the receipt of an Entry Fee from a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point.

_____**All refunds will be paid to the resident, the resident's estate, or to the Clerk of Court, unless a court order indicates otherwise.**

The termination date for computing any refund or any outstanding payments due or accrued is the date the resident's Living Unit is actually vacated and accepted by WINDSOR POINT. Any legal costs incurred by Windsor Point in order for a resident to receive a refund will be deducted from that refund or billed to the resident or the resident's responsible party**.** Residents must give a 30 day notice when leaving Windsor Point.
_____ **All unit keys must be returned to Windsor Point in order to avoid a key surcharge of $150.00.**

1. **Non-refundable Entry Fee:** A non-refundable Entry Fee may be charged which accrues to Windsor Point as income at a rate of 2% per month of occupancy. If the resident decides to leave Windsor Point before 100% of the Entry Fee has been realized as income by Windsor Point, they will be due a refund of the Entry Fee less 2% for each month of occupancy and less any amount owed Windsor Point by resident and less the amount necessary to restore the Living Unit to a condition acceptable for re-occupation of the unit. If the Living Unit is

occupied any portion of a month then no refund will be due for that month. Refunds will be payable only upon the receipt of an Entry Fee from a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point. Monthly Service Fees are not refundable except for residents of the Kelly Health Care Center.

_____ Independent or Independent Plus Entrance Fees with incentives will be amortized over the first 25 months of residency at Windsor Point instead of 50 months.

_____ Health Care Entrance Fees will be amortized over 6 months.

2. **50% Refundable Entry Fee**: A 50% Refundable Entry Fee will accrue to Windsor Point as income at a rate of 2% per month of occupancy until 50% of the Entry Fee has been realized by Windsor Point as income. Thereafter, any refund to the resident will be limited to 50% of the Entry Fee originally paid, less any outstanding charges due Windsor Point and the amount necessary to restore the Living Unit to a condition acceptable for re-occupation. If resident leaves Windsor Point before 50% of the Entry Fee has been taken as income by Windsor Point, they will be due a refund of the Entry Fee, less 2% thereof for each month of occupancy, and less any outstanding charges due Windsor Point and the amount necessary to restore the Living Unit to a condition acceptable for re-occupation of the unit. If the Living Unit is occupied any portion of a month, then no refund will be due for that month. Refunds will be payable only upon the receipt of an Entry Fee from a replacement resident acceptable to Windsor Point. Monthly Service Fees are not refundable. This refund is based on resale of the original unit the resident occupied at Windsor Point. If a resident moves to another level of care the Entrance Fee is still amortized as stated in the Disclosure Statement and resident Agreement.

3. **Monthly Fees.** Monthly Service Fees paid to WINDSOR POINT are not refundable to the resident in part or in full**.** The only exception to this policy will be for residents who pass away while living in the Kelly Health Care Center. Any insurance premiums paid above the amount of the monthly fee or any credits above the amount of the monthly fee will be reimbursed to the resident within 45 days of the resident leaving Windsor Point. Until all personal effects are removed from any unit, residents will continue to be charged a monthly service fee.

B. Trial Period

The first sixty (60) days of occupancy will be considered a Trial Period for residents who pay an Entrance Fee, regardless of the refund provision chosen. If a resident withdraws from Windsor Point within the Trial Period, they are guaranteed a full refund of the Entry Fee less any outstanding charges due Windsor Point and the amount necessary to restore the Living Unit to a condition acceptable for re-occupation of the unit. Refunds will be payable to the resident only upon the receipt of an Entry Fee from a replacement resident acceptable to Windsor Point. This refund is based on resale of the original unit the resident occupied at Windsor Point. Monthly Service Fees paid to Windsor Point during the Trial Period are not refundable to the resident.

For all refunds a service charge not to exceed the greater of one thousand dollars (1,000) or two percent (2%) of the entrance fee may be assessed. If a refund is due, any upgrades, customization, and any decorative items that must be replaced in order to sell the unit may be charged to the resident and taken out of the refund. All refund requests must be made in writing.

C. Failure to Make Payments

If any resident fails to pay the Monthly Service Fee after notification to pay has been given and the guarantor has not made satisfactory payment, Windsor Point reserves the right to terminate the Resident Agreement. If Windsor Point does terminate the Resident Agreement and if any Entry Fee is due back to the resident, Windsor Point will apply the Entry Fee towards the resident's outstanding balance and refund the remainder within thirty (30) days after Windsor Point receives an Entry Fee from a replacement resident acceptable to Windsor Point.

Without in any way qualifying the right of Windsor Point to terminate this Agreement, if the resident presents facts which justify special financial consideration and if, upon reviewing resident's financial resources, Windsor Point determines that through no fault of the resident, they are unable to continue to pay a part or all of the Monthly Service Fee, Windsor Point may subsidize the resident's Monthly Service Fee in part or in whole. In return, the residents agree that they will not make any gift of real or personal property for the purpose of evading their obligations under this Agreement. If it is apparent to Windsor Point that the resident has intentionally divested assets and resources to evade obligations under this Agreement or has used resources in a manner other than to meet ordinary and customary living expenses, then Windsor Point will terminate this Agreement.

D. Subsidy by Windsor Point:

Should Windsor Point subsidize partly or wholly resident's Monthly Service Fee, or any other cost for services or care which Windsor Point under this Agreement is not obliged to pay on behalf of the resident, then the aggregate amount of subsidy furnished by Windsor Point to the resident shall become a debt of the resident and shall be payable by the resident or the resident's estate. Windsor Point may from time to time request financial statements from any resident whose monthly service fee is subsidized by Windsor Point.

If the resident's sources of income fail to meet financial obligations, the resident will make every effort to obtain assistance from family or other available means, to the extent that the resident is eligible to receive such assistance. When no other financial assistance is available the residents Agreement may be terminated.

Should either the resident or Windsor Point be eligible for federal, state, or other funds on behalf of the resident, nothing in the Contract shall be construed so as to make either party ineligible for such funds, and the resident expressly waives any provisions of this Agreement which might now or hereafter be in conflict with any federal, state, or other law or regulations

and agrees to apply for and cooperate in obtaining such benefits if so requested by Windsor Point.

E. Disclosure Statement:

In keeping with North Carolina requirements for disclosure of financial information to the public and to Windsor Point residents, Windsor Point will file a disclosure statement with the Department of Insurance on a yearly basis, or more often if material facts warrant.

Resident acknowledges that he or she received, prior to the execution of this agreement, a copy of Windsor Point's Disclosure Statement that meets the requirements of section 58-64-20, et. seq. of the North Carolina General Statues or other such applicable law, rule or regulation.

F. Resident's Disclosure Requirements:

The resident agrees to provide accurate and complete financial information to Windsor Point during the application procedure. Incomplete, false, or misleading financial disclosures are grounds for termination of this Agreement, regardless of whether the resident has failed to pay the Entry Fee or any Monthly Service Fees, which are due.

V. Health Care Services

A. Disclosure of Health Status:

During the process of applying for admission to Windsor Point, resident agrees to provide accurate and complete medical information to Windsor Point. Windsor Point will only accept applicants based on accurate and complete information provided during Windsor Point's application process. Windsor Point will not be responsible for the cost of care associated with any medical condition. If a resident happens to be admitted to a level of care that is inappropriate, then the resident will be required to move to an appropriate level of care to meet their health care needs.
It is the responsibility of the resident or resident's responsible party to disclose any change in health status or any occurrences that would directly affect the welfare and care of the resident. Windsor Point assumes no responsibility for undisclosed health issues. Failure to disclose health changes may require the resident to leave Windsor Point.

For residents who move directly into an Assisted Living Unit in the Kelly Health Care Facility, there is an entrance fee as published in the Disclosure Statement. These residents sign a continuing care contract and are considered Continuing Care residents. This disclosure statement and contract apply to them. In addition, residents moving into the Kelly Health Care Center will sign a separate contract outlining services and regulations pertaining to the Health Care Center. All rights and privileges of a Continuing Care are available to them. They have access to other levels of care and are given priority to independent units not pre-sold.

B. Insurance:

The Continuing Care resident must be enrolled in, or apply for and secure, the Hospital Insurance Benefits Program under Part A of Public Law 89-67 (Medicare). The resident must also secure and pay the premium for the Medicare Supplementary Medical Insurance Benefits Program under Part B of Public Law 89-67 and/or any other public hospital or medical insurance benefits program which may be enacted as a successor or supplement to Medicare. In addition, the resident will need to maintain supplemental, private health insurance, which is satisfactory to Windsor Point.

If the resident is not eligible for Medicare coverage, the resident will need to apply for and maintain similar private health insurance coverage that is acceptable to Windsor Point.

The resident must authorize, as necessary, any provider of health care services, including Windsor Point, to receive reimbursement under the insurance required by Windsor Point. Residents must assign any benefits accruing to them under this insurance to the appropriate provider of health care services. If the resident is entitled to medical care by a government agency, he/she must make application for such care or payment. The resident must also make and deliver to Windsor Point a limited Power of Attorney for the purpose of permitting and instructing Windsor Point to act as the resident's agent or attorney-in-fact in all matters relating to the above insurance benefits.

Any insurance benefits paid from Federal, State, or other sources will, (as between Windsor Point and the resident), be paid or credited first against any payment made by Windsor Point for such services, for whatever reason; next against any charge due from the resident in respect to the covered health care services; next, against any payment made by the resident for the health care services involved. Residents will be required to authorize Windsor Point to release medical records for insurance purposes.

Windsor Point does accept insurance payments, however, payment is the responsibility of each resident and is due on the first of each month regardless of when insurance reimbursements are received. Any overpayment of Insurance will be credited to the resident's account. Any lapse in insurance or failure to obtain insurance is not the responsibility of Windsor Point. The resident will be responsible for all charges incurred.

Windsor Point may, from time to time, request updated financial statements and verification of financial status. It is the resident's responsibility to check with Windsor Point to make sure that the insurance they carry is accepted by Windsor Point. At this time Windsor Point does not accept any HMOs or TriCare for primary payment.

C. Health Care Center

Windsor Point maintains the Kelly Health Care Center which includes a licensed 45 bed Nursing Facility, a 55 bed Assisted Living Unit, a Clinic, and support spaces. The center meets all Federal and State requirements for Medicare certification and licensing, as applicable. In addition to

the continuing care contract, the Kelly Health Care Facility is governed by the guidelines of the Division of Facility Services.

D. Health Care Services in the Health Care Center

When ordered by Windsor Point's Medical Director, Windsor Point will provide temporary or permanent care to all residents who have entered into a Continuing Care Contract, in its Nursing Facility, subject to the provisions of Section VII.

Upon admission to the Health Care Center, residents agree to abide by Windsor Point's health care contract which must be signed prior to admission to this unit. The health care contract outlines Windsor Point's health care policies. Residents also agree to abide by any health care regulations as dictated by the state of North Carolina.
If a bed in the Health Care Center is not available at the appropriate level of care, Windsor Point will be responsible for finding an alternative health care facility for the resident, until such time as an appropriate bed is available in Windsor Point. If Windsor Point's Medical Director determines that the Health Care Center cannot meet the resident's needs, resident agrees to be transferred to an appropriate health care facility selected by Windsor Point. During their stay at the alternate facility, they will continue to pay Windsor Point's Monthly Service Fee. The resident will also continue to have the other rights and obligations set forth in this Agreement.

Windsor Point is neither designed nor licensed to care for persons who have a psychotic condition or suffer from certain contagious or dangerous diseases. If it is determined by standard legal and acceptable evaluation procedures that any resident is psychotic or suffers from mental illness or a contagious or dangerous disease, the resident may be transferred to an institution capable of administering the necessary care. All costs associated with the institutional care, including non-medical incidental charges, are the responsibility of the resident, but may be covered by insurance.

E. Cost of Health Care Services:

Beginning with the Date of Occupancy, only Independent or Independent Plus, residents will accrue 15 days per calendar year of eligible days of inpatient health care with a maximum of 30 days that may be accumulated at any one time. When the resident enters the Health Care Center on a temporary basis as an inpatient, they will pay only their regular Monthly Service Fee until their accumulated eligible days are exhausted, plus the cost of extra meals and any charges for the following which are not covered by insurance: pharmacy expenses, physician's fees, occupational therapy, physical therapy, hydrotherapy, lab work, and ambulance services. When resident's accumulated eligible days are exhausted, they will pay the Monthly Service Fee plus 50% of the published per diem rate for inpatient services.

If a resident enters the Kelly Health Care Center on Medicare, free health care days may be used after the Medicare days are exhausted. While on Medicare A, residents are still responsible for co-insurance after the 1st 20 days.

If Windsor Point determines that the resident has become a permanent inpatient, they will continue to pay their regular Monthly Service Fee until their accumulated eligible days are exhausted. At that point, their Monthly Service Fee will then become the published rate for Continuing Care residents as published by Windsor Point. Fees charged by Windsor Point for nursing care cover the facilities, nursing staff, and routine supplies. Pharmacy expenses and physician fees are charged separately, but may be covered by insurance. Occupational therapy, physical therapy, hydrotherapy, lab work, and ambulance service are provided at an additional cost, but may be covered by insurance.

The procedure for becoming a permanent resident of the Kelly Health Care Center is as follows: the Director of Nursing will recommend that the Windsor Point Resident Assessment Team review the resident for possible permanent placement in the Kelly Health Care facility. If the Windsor Point Resident Assessment Team decides that the resident will no longer be able to live in their original level of care for an indeterminate amount of time, the resident will either need to give up their unit or assume the monthly service fees for both units.

F. Emergency Services:

The resident will be supplied with an emergency call system. Upon receipt of an emergency call in the Nursing Facility, personnel will respond to the call and determine the level of assistance needed. However, in addition to activating the call system, we advise the residents to call 911 immediately if the situation warrants. Residents are required to authorize Windsor Point to release medical records for emergency or non-emergency treatment.

G. Other Health Care Services:

Windsor Point will either provide or assist with arrangements for the following additional services.

1. **Physician Care:** All residents at Windsor Point must have a personal physician. If the resident or potential resident does not have a personal physician, Windsor Point will assist in arranging for a physician or physicians for residents. The community's Medical Director is the primary physician for residents in the Health Care Center. If for some reason Windsor Point's medical director is not the Resident's choice for a physician, it is the responsibility of the resident or the resident's responsible party to select a physician that adheres to state and federal guidelines, as well as those of Windsor Point. All costs associated with physician care, i.e. lab work, etc., will be the direct responsibility of the resident. All physicians must follow all state and federal guidelines, as well as Windsor Point's policies and procedures.

2. **Medical Examination**: The resident agrees to submit to a medical examination when requested by Windsor Point's Medical Director, if Medical Director has reasonable cause for concern for resident's health and well-being. All costs for medical examinations will be the responsibility of the resident.

3. **Hospitalization**: Windsor Point will assist the resident with arrangements for inpatient hospital care. Windsor Point shall maintain transfer agreements with several area hospitals

to facilitate placement of Windsor Point occupants. All costs associated with inpatient hospital care, including non-medical incidental charges, are the responsibility of the resident, but may be covered by insurance.

4. **Procedures and Diagnostic Tests**: Windsor Point will assist the resident with arrangements for surgery, treatment by specialists, and diagnostic tests provided off- site. All costs associated with such surgery, treatment, or tests, including non-medical incidental charges, are the responsibility of the resident, but may be covered by insurance.

5. **Care Administered While Traveling:** Health care services received by the resident while traveling are the responsibility of the resident, but may be covered by insurance.

6. **Health Care Services Not Covered By Insurance**: Windsor Point is not responsible for the payment of health care services not covered by Medicare Part A or Part B, except to the extent such services are covered by a resident's private health insurance plan. These non-covered services include, but are not limited to, prescription drugs, dental work, hearing aids, eyeglasses, orthopedic devices, and podiatrist care, wheelchairs, walkers, etc. Windsor Point will not be responsible for psychiatric or psychological services other than those covered by a resident's private health insurance.

7. **Private Duty Personnel**: Windsor Point requires approval for the use of all Private Duty Personnel, including but not limited to nurses, nurse aides, sitters, and in-home companions. If a resident is interested in hiring Private Duty Personnel, residents must adhere to the Windsor Point Private Duty Personnel Policy which may be obtained at the front desk. All costs associated with the use of Private Duty Personnel are the responsibility of the resident.

   Upon approval, Private Duty Personnel may be used by a resident in the following circumstances: (I) if the resident is independent and it is determined by the Windsor Point Resident Assessment Team that the resident can maintain their independent unit with assistance and without causing harm to that resident and others. (However, Windsor Point reserves the right to deny the request for private duty personnel and require the resident to move to another level of care if the Windsor Point Assessment Team feels that this would be more beneficial to the resident.) (II) during short term emergency situations if the resident needs temporary care prior to being transferred to a more appropriate level of care; or (III) if the resident occupies a bed in the Kelly Health Facility and desires the additional services of Private Duty Personnel.

   Windsor Point assumes no responsibility for the actions of private duty sitters if employed by residents or their families. All private duty personnel must adhere to guidelines set up for private duty sitters. These guidelines include, but are not limited to: background checks, parking, smoking, and dress. In addition, sitters must sign in and out and wear nametags distributed by Windsor Point at all times they are on the property.

VI. Dual Occupancy

A. General Provision

If two persons sign this Agreement as residents, the accommodations and services will be for them both, and the payment of sums required under this Agreement apply to them both. If the two persons are husband and wife, each of them will be individually responsible for payments due under this Agreement. If the two persons are not husband and wife, each of them will be liable for one-half of the payments due under this Agreement.

B. Survivorship

In the event of dual occupancy of the Living Unit, the refund provisions of this Agreement shall be applicable only to the resident who last occupies the Living Unit. There shall be no refund due or payable at the death or withdrawal from Windsor Point of the first resident and any entrance fee paid by the first resident will continue to be amortized until the death or withdrawal of the second resident.

If the dual occupants are not spouses, one half of any refund due under the refund provisions shall be paid to the first resident or that resident's estate upon the eventual termination of occupancy by the remaining resident. The Monthly Service Fee shall be reduced to the single occupancy rate upon the death or withdrawal from Windsor Point of the first resident.

The remaining resident shall have the option of retaining the Living Unit with no adjustment to the Entrance Fee paid by the resident. Alternatively, the remaining resident may choose to move to another Living unit within Windsor Point. If the Entrance Fee for the new Living Unit is higher than the Entrance Fee for the Living Unit being vacated, the resident must pay the difference between the two Entrance Fees. However, if the Entrance Fee for the new Living Unit is the same or less than the Entrance Fee for the Living Unit being vacated, then no refund of the difference will be made to the resident. In any case, the Monthly Service Fee for the Living Unit will convert to the single occupancy rate.

C. New Second Occupants

If the resident is the sole occupant of the Living Unit and wishes to invite another resident of Windsor Point to share their Living Unit, the combined occupancy must be approved by Windsor Point. If approval is given, there will be no adjustment of the Entrance Fees paid by either party. However, the Monthly Service Fee will convert to the dual occupancy rate for the shared Living Unit.

If the resident is the sole occupant of the Living Unit and wishes to invite a non-resident to share their Living Unit through marriage, the new occupant will be required to go through the standard application process. If approved by Windsor Point, the new occupant must pay an Entrance Fee equal to the difference between the published single and double occupancy Entrance Fee rates for the Living Unit. If the resident is the sole occupant of the Living Unit and wishes to invite a non-resident to share their Living Unit other than through marriage, the new

occupant will be required to go through the standard application process. If approved by Windsor Point, the new occupant must pay one-half of the published dual occupancy Entrance Fee for the Living Unit. The Monthly Service Fee for the shared Living Unit will convert to the dual occupancy rate.

D. Relocation of Second Resident within Windsor Point

If either resident of a dual occupancy wishes to vacate the Living Unit and relocate to another Living Unit within Windsor Point, the vacating resident must pay the difference between the Entrance Fee for the new Living Unit and one-half of the original Entrance Fee for the Living Unit being vacated. However, if the Entrance Fee for the new Living Unit is the same or less than one-half the Entrance Fee for the Living Unit being vacated, then no refund of the difference will be made.

The remaining resident shall have the option of retaining the Living Unit, but must pay the difference between the then current single occupancy Entrance Fee for the Living Unit and one-half of the original Entrance Fee for the Living Unit. The Monthly Service Fee for the Living Unit will convert to the single occupancy rate.

Alternatively, the remaining resident may choose to add a new second occupant. The new occupant will be required to go through the standard application process. If approved by Windsor Point, the new occupant (whether a spouse or non-spouse, current resident of Windsor Point or non-resident) must pay one-half of the published dual occupancy Entrance Fee for the Living Unit. The Monthly Service Fee for the Living Unit will convert to the dual occupancy rate.

Alternatively, the remaining resident may choose to move to another Living unit within Windsor Point. If the Entrance Fee for the new Living Unit is higher than one-half the Entrance Fee for the Living Unit being vacated, the remaining resident must pay the difference between the two amounts. However, if the Entrance Fee for the new Living Unit is the same or less than one-half the Entrance Fee for the Living Unit being vacated, then no refund of the difference will be made to the remaining resident. In any case, the Monthly Service Fee for the Living Unit will convert to the single occupancy rate.

VII. Transfer of Residents

If Windsor Point's Medical Director determines that that a resident may no longer safely live in the Living Unit specified in Section III.A., or that they are a disturbance to Windsor Point as a result of their mental or physical condition, their status will be reviewed with the resident, their family (if appropriate), and the Windsor Point Resident Assessment Team. If it is decided that the resident's needs could be better met in another living unit, they agree to be transferred to the more appropriate level of care. If Windsor Point determines that the resident should live permanently in the Health Care Center, their Living Unit will be assigned to a new occupant after being released by them to Windsor Point. If Windsor Point subsequently determines that they are capable of independent living after a permanent transfer to the Health Care Center,

Windsor Point will assign an appropriate Living Unit to the resident as soon as one becomes available.

If the resident relocates to Windsor Point's Kelly Health Care Center, they will continue to be responsible for the Monthly Service Fee of the Living Unit being vacated until the Living Unit is released by them to Windsor Point and accepted by Windsor Point for re-occupation.

If the resident relocates to Windsor Point's Regency Court Unit, they will be responsible for the Monthly Service Fee of the Living Unit with the higher Monthly Service Fee. If the Living Unit being vacated is not released by the resident to Windsor Point within ten (10) days after the transfer, the resident will be responsible for the Monthly Service Fees of both Living Units until the vacated Living Unit is released by them to Windsor Point and accepted by Windsor Point for re-occupation.

If any resident relocates to another Windsor Point Living Unit in the same level of care, the resident is responsible for the Monthly Service Fee of the new Living Unit from the date the new Living Unit is ready for occupancy. The resident is also responsible for the Monthly Service Fee of the Living Unit being vacated until the Living Unit is released by the resident to Windsor Point and accepted by Windsor Point for re-occupation. In addition the resident is also responsible for the cost of the move and the cost to bring the unit up to resale condition. Any adjustments to their Monthly Service Fee will be made at the time the new Living Unit is accepted by them in writing.

In any move on Windsor Point property, monthly fees will be adjusted to that of the new unit only when keys to the resident's old unit have been returned to Windsor Point Management.

If the Entrance Fee for the new Living Unit is higher than the Entrance Fee for the Living Unit being vacated, the difference must be paid between the two Entrance Fees. However, if the Entrance Fee for the new Living Unit is the same or less than the Entrance Fee for the Living Unit being vacated, then no refund of the difference will be made.

The decision to transfer any resident is preceded, where possible and practical, by consultation with the resident, the resident's family, or a party responsible for the resident. However, WINDSOR POINT reserves the exclusive right to make the final decision for all residents. A transfer will not affect the resident's Agreement executed by the resident, except as it refers to the specific Living Unit assigned to the resident. If the resident has to move from one level to the next within l year then the resident will be responsible for the cost of bringing the unit up to a condition to resell. It is the resident's responsibility to return keys for all vacated units in order not to incur a $150 unit rekeying charge.

VIII. Termination

This Agreement will be automatically terminated upon the death of any resident, except as follows:

In the event of dual occupancy of the Living Unit, this Agreement shall continue in effect until the death or withdrawal from Windsor Point of the second resident.

The resident may terminate this Agreement upon giving Windsor Point thirty days advance notice in writing. The notice requirement shall be waived, however, during the sixty (60) day Trial Period described in Section IV.C. Upon termination, the resident may be due a refund under the provisions set forth in Sections IV.B. and IV.C.

Windsor Point may terminate this Agreement if the resident fails to pay the Monthly Service Fee; fail to follow the standard policies of Windsor Point; engage in activities or conduct which causes harm to them or other occupants of Windsor Point; or, provide incomplete, false, or misleading financial, medical, or other information during or subsequent to the application process. Windsor Point will give the resident at least (30) days to find alternative living arrangements and to withdraw from Windsor Point, unless Windsor Point determines that circumstances require a more immediate withdrawal. . An example of circumstances that would preclude a 30 day notice would be if the resident was deemed harmful to himself or others, was non-compliant with Windsor Point guidelines or regulations, or was unable to care for himself and refused care from Windsor Point or if Windsor Point was unable to provide care for him. No matter the circumstance, no refund will be given to a resident until Windsor Point receives an Entrance Fee from a replacement resident that is acceptable to Windsor Point.

All residents must give a 30-day written notice before termination of this contract. If the resident chooses to leave before the end of this 30-day period, the resident will be charged for these days or this amount will be deducted from their refund.

IX. Miscellaneous

A. Rights, Privileges, and Limitations:

The rights and privileges of the resident under this Agreement to the Living Unit, facilities, and Windsor Point services are personal and nontransferable and do not include any proprietary interest in the properties or assets of Windsor Point.

The rights of the resident under this Agreement shall at all times be subordinate to any obligations of Windsor Point. Upon request by Windsor Point, resident agrees to execute and deliver a subordination agreement to establish the priority of such obligations as a lien or liens against the property.

B. Inability to Manage Affairs:

The resident agrees to provide Windsor Point in writing with the names of persons who have been given power of attorney by the resident and to keep this information current in Windsor Point's business office.

If the resident becomes legally incompetent or unable to properly care for his/her self or his /her property, in the judgment of Windsor Point, Windsor Point shall contact the guardian or conservator nominated and appointed by the resident pursuant to the provisions of N.C.G.S 32A-10 in any Power of Attorney or other instruction, or by the court, if one has been appointed.

In the event the resident has made no designation of a person or legal entity to serve as his/her conservator or guardian, the resident hereby authorizes and requests Windsor Point to apply to a Court of competent jurisdiction for the appointment of a conservator or guardian, and if there is no proper person to serve in such a capacity, the resident hereby nominates and appoints Windsor Point and his/her guardian or conservator, to be confirmed in appointment by the Court. The resident or the resident's estate shall reimburse Windsor Point for all expenses it incurs pursuant to this part including but not limited to legal and other professional fee incurred by Windsor Point in carrying out its duty hereunder.

C. Living Will and Health Care Power of Attorney:

It is understood that the resident has the right to make a Living Will and to designate a Health Care Attorney. Resident has the responsibility of informing Windsor Point of the wishes in writing.

D. Personal Belongings:

Windsor Point is not responsible for the loss of any property belonging to the resident due to theft, mysterious disappearance, fire, or any other cause. This includes hearing aids, glasses, jewelry, dentures, etc. The resident is responsible for providing insurance protection covering any such loss.

Upon the termination of the resident's occupancy, Windsor Point shall have the right to remove promptly from the Living Unit all property belonging to the resident and have the same stored at their expense. The resident or their estate will reimburse Windsor Point for all expenses incurred during the removal and storage process.

E. Accident or Illness Caused by Others, Power of Attorney:

The resident shall appoint in writing by a Power of Attorney a person of the resident's choosing to act in the resident's behalf as attorney-in-fact in case of accident or injury to the resident and shall promptly provide this information to Windsor Point in writing. If the resident shall fail to designate an attorney-in-fact, Windsor Point, in such event, may sue and enforce cause of action of the resident for injury or damages so resulting in the name of the resident, or in the name of Windsor Point.

If the resident fails to appoint an attorney-in-fact, the resident hereby nominates and appoints Windsor Point as the resident's attorney-in-fact, enabling Windsor Point to undertake such suit or seek reimbursement. The resident thereby grants to Windsor Point the power and authority to seek, sue for, institute any legal action, or preceding for, settle, compromise, and give

releases for all such claims or cause of action, or to do any other act in connection therewith and to appoint an agent or agents to exercise the power herein conferred upon resident's attorney-in-fact; hereby ratifying and confirming all action taken by Windsor Point pursuant to Article 2 of the North Carolina General Statues, Chapter 32 A, and this Power of Attorney shall not be affected by the resident's subsequent incapacity or mental incompetence either physically or mentally. This Power of Attorney shall remain in full force and effect until the same shall be duly revoked by the resident, or otherwise revoked as provided in the General Statues of North Carolina.

All costs and expenses reasonably incurred by Windsor Point (including, but not limited to the fees and expenses of an attorney retained by Windsor Point to pursue such claim) shall by paid and / or reimbursed to Windsor Point, either from settlement, judgment, or otherwise, and the balance of any collection made on behalf of the resident shall be paid to the resident's account or, in the event of the death of the resident will be paid to the resident's estate, or to the appropriate person or entity entitled thereto.

F. Wills:

The resident, will within three months of the date of occupancy agrees to make, if not previously made, a will providing for disposal of his/her assets and appointment of an executor of his or her estate, in addition the resident shall give Windsor Point written instructions with respect to the location of the will, the executor of the resident's estate, and the resident's funeral and burial arrangements, which arrangements resident shall pay for at his or her expense.

G Arbitration:

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, whether or not the parties remain in North Carolina. In the event either party wishes to seek the enforcement of any remedy or bring any claim arising from or otherwise related to this Agreement or to Windsor Point, the parties shall submit the matter to binding arbitration, and the arbitration proceeding shall be administered in accordance with the rules presently established by the American Arbitration Association (AAA) for Consumer claims (including the Consumer-Related Disputes Supplementary Procedures and the Consumer Due Process Protocol established by AAA), unless otherwise mutually agreed upon by the parties. The costs of the arbitration shall be borne equally by the parties; however, the party initiating arbitration shall be solely responsible for costs charged in accordance with AAA's rules as these costs pertain to initiating an arbitration claim. The results of the arbitration shall be binding upon the parties and may, at the request of either party, be reduced to a final judgment.

Should arbitration between the parties become necessary or ensue, the parties agree that Wake County, North Carolina is a convenient forum and is the only forum in which a claim arising from or related to Windsor Point or to this

Agreement may be arbitrated. In any action to enforce or defend the forum selection, choice of law or arbitration provisions of this Agreement, the party receiving enforcement shall, at the conclusion of the action, be entitled to recover its cost and expenses associated with obtaining this enforcement including, but not limited to reasonable attorneys' fees and all other litigation or arbitration expenses incurred in connection therewith. Further, all injunctive relief provided with regard to the enforcement of these provisions shall be without bond.

Without waiving the arbitration provisions of this Agreement, the parties agree that, should litigation between the parties for any reason becomes necessary or ensues, state courts located Wake County, North Carolina and the federal courts for the Eastern District of North Carolina are convenient forums and are the only forums in which a claim arising from or related to Windsor Point may be filed, maintained, or litigated, and both parties submit to the jurisdiction of these courts and waive their right to commence or maintain litigation in any other forum.

H. Compliance with Applicable Laws:

Windsor Point will operate in full compliance with all applicable laws and rules, regulations, and ordinances promulgated by lawful governmental authority. Notwithstanding any other provisions of this Agreement, Windsor Point shall have the right to change the Living Unit of the resident to meet the requirements of law or the regulations of a Fire Department, Department of Public Health, or other duly constituted governmental authority or agency.

I. Rights of Management:

The absolute right of management is reserved by Windsor Point and its administrators. Windsor Point reserves the right to accept or reject any applicant to Windsor Point. The resident does not have the right to accept or reject any applicant to Windsor Point, the right to management, or the right to determine admissions or terms of admission of any other occupant.

J. Right of Entry

The resident grants duly authorized employees of Windsor Point the right of entry into resident's Living Unit for managerial purposes at reasonable times or for emergency purposes at any time.

K. Waiver of Breach:

Neither Windsor Point's failure in any one or more instances to insist upon the strict performance, observance, and compliance by the resident with any of the terms or provisions of this Agreement, nor Windsor Point's waiver of a breach by the resident of any terms or provisions of this Agreement, shall be construed to be a waiver or relinquishment by Windsor

Point of its right to insist upon strict compliance by the resident with all the terms or provisions of this Agreement.

L. Entire Contract in This Agreement:

This Agreement constitutes the entire contract between Windsor Point and the resident. Windsor Point is not liable for or bound in any manner by any statements, representations, or promises made by any person representing or purporting to represent Windsor Point unless such statements, representations, or promises are set forth in this Agreement. This Agreement may not be amended or modified except by written agreement signed by the parties to this Agreement. Any special or additional understandings are attached to this Agreement and incorporated into this Agreement by reference.

M. Binding Effect

This Agreement shall bind and inure to the benefit of the successors and assigns of Windsor Point and the heirs or personal representative of the resident. This Agreement shall be governed by and construed according to the laws of the State of North Carolina.

N. Use of Appliances and Vehicles

If the resident demonstrates an inability to safely use scooters, cars, golf carts, the range, refrigerator, disposal unit, or other appliances in the living unit, Windsor Point has the right to remove the vehicle or to turn off the power to the appliance or to remove the appliance. In the event that Windsor Point exercises this right, the resident agrees to pay the published charges for additional meals not otherwise covered by this Agreement.

O. Recording Devices

Audio, video or photographic recordings within the building are prohibited unless prior approval has been given by Administration.

P. Guests:

The resident may receive such visitors as they wish for visits in the Living Unit, subject to the terms and conditions established by Windsor Point. Overnight guests shall be permitted to visit in the Living Unit, provided that Windsor Point is be notified of all overnight guests and reserves the right to limit or terminate the stay of any guest at any time, and for any reason. At all times, the resident is responsible for any injury to others or damage to property of others or Windsor Point by their guest(s). Guests may use Windsor Point guest accommodations, if available, by appointment and for a reasonable charge.

Q. Medicare Statutes:

At the time of this Agreement, all parties agree that the Medicare statutes are fully functioning. This Agreement assumes that the Medicare program will continue to function and provide reimbursement in essentially the same manner as it now does. Should the Medicare statutes be substantially modified or eliminated, this Agreement will be amended to reflect the effects of such modifications or eliminations.

R. Religious or Charitable Affiliations:

Windsor Point is not affiliated with any religious or charitable institution financially or contractually.

IN WITNESS WHEREOF, the parties have hereto executed this resident's agreement in duplicate or triplicate originals, one of which is retained by each party.

By signing this agreement the resident or the resident's legal representative agrees that they have read and understood both Windsor Point's Disclosure Statement and Resident's Agreement and agree to the terms included within.

WINDSOR POINT	**RESIDENT(S) OR LEGAL REPRESENTATIVE(S)**
By: _____	_____
Title: _____	_____
Corporate Seal:	_____

GUARANTY

To induce Windsor Point to enter into the foregoing Agreement with you, the undersigned hereby guarantee(s) to Windsor Point, its successors and assigns, the payment by you of the Monthly Service Fees and the performance by you of all the other terms, covenants, obligations, and conditions of this Agreement. Notice of all defaults is waived and consent is hereby given to all extensions of time that Windsor Point may grant.

_____	_____
Guarantor	Guarantor
_____	_____
Relationship to Resident	Relationship to Resident
_____	_____
Address	Address