



**Essex, Connecticut**

**THIS FACILITY, LIKE ALL OTHER CONTINUING CARE (LIFE-CARE) FACILITIES IN THE STATE OF CONNECTICUT, IS SUBJECT TO CHAPTER 319HH, CONNECTICUT GENERAL STATUTES, CONCERNING MANAGEMENT OF CONTINUING CARE FACILITIES. REGISTRATION UNDER THE LAW DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT OF THE FACILITY BY THE DEPARTMENT OF SOCIAL SERVICES OR THE STATE OF CONNECTICUT, NOR DOES SUCH REGISTRATION EVIDENCE THE ACCURACY OR COMPLETENESS OF THE INFORMATION IN THIS DISCLOSURE STATEMENT.**

## **DISCLOSURE STATEMENT**

**May 2020**

**Equal Housing Opportunity**

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**ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURE STATEMENT**

**ESSEX MEADOWS**

In accordance with Sections 17b-522 of the Connecticut General Statutes, this Acknowledgment of Receipt of Disclosure Statement is required to be given to a Prospective Resident or his or her legal representative as set forth below.

Essex Meadows is required to deliver to a Prospective Resident or his or her legal representative a current Disclosure Statement not more than 60 days nor less than 10 days before the execution of a continuing care contract or the transfer of any money or other property to Essex Meadows by or on behalf of the Prospective Resident.

**Acknowledgment:**

I, or my legal representative, have received and reviewed a revised and up-to-date Disclosure Statement in that there have been revisions to the original Disclosure Statement I, or my legal representative, received and reviewed.

OR

I, or my legal representative, have not received a revised and up-to-date Disclosure Statement in that there have been no revisions to the original Disclosure Statement I, or my legal representative, received and reviewed.

\_\_\_\_\_  
Signature of Prospective Resident

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

\_\_\_\_\_  
Signature of Prospective Resident, if two

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

\_\_\_\_\_  
Signature of Legal Representative, if applicable

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

## NOTICE TO PROSPECTIVE RESIDENT

### ESSEX MEADOWS

In accordance with Section 17b-522(a) of the Connecticut General Statutes, this Notice to Prospective Resident is required to be given to a Prospective Resident or his or her legal representative as set forth below.

Prior to the earlier of (a) the execution of a contract to provide continuing care; or (b) the transfer of any money or other property to Essex Meadows by or on behalf of the Prospective Resident, Essex Meadows is required to provide the following notice:

1. A continuing-care contract is a financial investment and your investment may be at risk.
2. Our ability to meet our contractual obligations under such contract depends upon our financial performance.
3. You are advised to consult an attorney or other professional experienced in matters relating to investments in continuing-care facilities before you execute a contract for continuing care.
4. The Connecticut Department of Social Services does not guarantee the security of your investment.

**Acknowledgment:** I, or my legal representative, have received and reviewed a copy of the above Notice to Prospective Resident, the Disclosure Statement, and a copy of the continuing-care contract prior to entering into a continuing-care contract or the transfer of any money or other property to Essex Meadows.

\_\_\_\_\_  
Signature of Prospective Resident

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

\_\_\_\_\_  
Signature of Prospective Resident, if two

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

\_\_\_\_\_  
Signature of Legal Representative, if applicable

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

## INTRODUCTION

We are pleased you have expressed an interest in Essex Meadows. We are very proud of our senior living community and appreciate the opportunity to tell you more about it. We are convinced that the more you learn about Essex Meadows, the more comfortable you will be in deciding to make it your future home.

Essex Meadows brings to Residents of qualifying age a way of living known as *LifeCare*®. This concept provides services that offer Residents the opportunity to pursue their personal interests. *LifeCare*® communities, such as Essex Meadows, encompass these important components: a private residence, a wide array of personal services, assisted living services in your Residence, and the security of skilled nursing care in our on-site licensed Health Center – all combined within a sound financial plan.

LCS Essex Meadows LLC ("we," "our," or the "Provider") is a Delaware limited liability company, qualified to do business in Connecticut and conducts business as Essex Meadows. As the Provider, we are committed to operating a quality senior living community that is financially sound and genuinely responsive to Resident desires and needs.

One of the purposes of this Disclosure Statement is to explain to you, your family, and advisors who and what is involved in the operation of Essex Meadows. This Disclosure Statement was prepared on the basis of information available at the time of its publication and on assumptions believed to be realistic as of that date. Such information and assumptions are, of course, subject to change, particularly in areas of economics and design. Essex Meadows can be significantly affected by changes in inflation and interest rates even though our projections are formulated to take into account those influences. Because of these and other influences, future changes may be necessary, and we reserve the right to make those changes in the operation of Essex Meadows.

Although we have prepared this Disclosure Statement carefully and have tried to use nontechnical language, it is possible that there may be some differences between the text in this Disclosure Statement and the language of the Residency Agreements or other documents, which are summarized herein. Copies of the actual documents should be inspected to fully understand all of their terms and provisions. In the event of any differences, the provisions of the language of the Residency Agreements or other documents shall govern. Capitalized terms used herein shall have the same meaning as given them in the Residency Agreements.

**We are pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the Nation. We encourage and support an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, creed, color, religion, sex, marital status, lawful source of income (e.g., social security, alimony, public or general assistance), handicap/disability, national origin, ancestry, sexual orientation, civil union status, learning disability, or physical or mental disability.**

# **I. THE PEOPLE**

## **LCS ESSEX MEADOWS LLC**

The Provider is a Delaware Limited Liability Company organized for the purpose of operating a *LifeCare*® senior living community that conducts business as Essex Meadows. Its address is 400 Locust Street, Suite 820, Des Moines, IA 50309. The sole member of the Provider is LCS SHIP Venture I LLC ("Member"), a Delaware limited liability company. The Member is managed by LCS SHIP Sponsor Member I LLC (10%) ("Managing Member"), an Iowa Limited Liability Company. The remaining 90% is owned by an investor group not involved in the management of the Provider. The Managing Member is a wholly-owned subsidiary of Life Care Services Communities LLC, which in turn, is a wholly-owned subsidiary of Life Care Companies LLC, "LCS" an Iowa limited liability company. The Provider is not affiliated with any religious, charitable, or nonprofit corporation or entity.

The officers and managers of the Managing Member are listed below. Their business address is 400 Locust Street, Suite 820, Des Moines, IA 50309.

Joel Nelson, President and CEO  
Diane Bridgewater, Executive Vice President and Secretary  
Jason Victor, Vice President and Treasurer  
Michael Andreasen, Senior Vice President  
Daniel Lahey, Vice President

The Provider has the overall responsibility for Essex Meadows. Before the Provider undertook the sponsorship of Essex Meadows, a complete program was developed which included budgets for capital costs, planned financing, and projected operating income and expenses. The Provider will annually review the insurance coverages on the property and personnel. The Provider will also adopt and approve personnel policies for staff and other policies and rules required for the operation of Essex Meadows. The Provider will monitor compliance with the budget and the performance of Essex Meadows and its management. These activities will be carried out by means of reports, studies, and on-site inspections.

None of the persons described herein have been convicted of a felony or pled nolo contendere to a felony charge, held liable or enjoined in a civil action by final judgment, or are subject to a currently effective injunction or restrictive or remedial order of a court of record, within the past five years, nor has any individual had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, rising out of or relating to business activity or health care, including, but not limited to, actions affecting the operation of a foster care facility, nursing home, retirement home, Residential care home, or any facility subject to sections 17b-520 to 17b-535, inclusive, or a similar statute in another state or country.

The Provider is solely responsible for its obligations, including its obligations under the Residency Agreements. No other person or entity referred to herein has assumed any financial responsibility for the fulfillment of the Provider's agreements, except as otherwise expressly stated.



## **LIFE CARE SERVICES LLC**

The Provider has retained Life Care Services LLC to manage the Community. Life Care Services is a wholly-owned subsidiary of Life Care Companies LLC, an Iowa limited liability company. Life Care Companies is a nationally recognized leader in the development and management of quality senior living communities throughout the United States. Since 1971, Life Care Companies has been instrumental in the planning, development, and management of senior living communities throughout the United States.

Management services are provided through Life Care Services, and it currently manages more than 135 communities serving over 35,000 Residents (see Exhibit A attached to this Disclosure Statement.) Principal officers of Life Care Services include Joel Nelson, Diane Bridgewater, Rick Exline, Jason Victor, and Jill Sorenson.

Joel is president and chief executive officer of LCS, the 2<sup>nd</sup> largest senior living operator, which includes not-for-profit and for-profit assets across the continuum of senior living. He is an experienced leader in governance within the industry, including all phases of real estate acquisition, development, operations, and marketing and sales. Joel is responsible for executing the business strategy across the six business lines in the LCS Family of Companies. He thrives on driving business growth, achieving service excellence, and enhancing the company's stability and value among financial partners, property owners, and other stakeholders in the senior living field. Currently, Joel serves on the board of managers for Life Care Companies LLC, LCS Holdings, Inc., and is past-chair and a current member of the Investment Committee. Outside of LCS, Joel is a member of the National Investment Center (NIC) operator advisory board, the Central Iowa Alzheimer's Association board. He is also past chair and current board member of ChildServe, Inc., one of Des Moines' largest not-for-profit organizations serving children and families with complex health care needs. Joel earned a Bachelor of Science degree in health service administration from Simpson College.

Mrs. Diane Bridgewater is Executive Vice President, Secretary and Manager of Life Care Services. Diane joined the organization in 2006 after filling several executive level positions with Pioneer Hi-Bred International, a DuPont Company. In her years with Pioneer, she held a number of operational and financial roles including: Chief Financial Officer, Vice President and Business Director for North America, Director of Customer and Sales Services for Seed and Crop Protection, Worldwide Finance Director, and other roles. Diane started her career with KPMG. Diane earned her undergraduate degrees in Accounting and French from the University of Northern Iowa and received her CPA certification in 1986. Diane currently serves on the boards of LCS Holdings, Inc., Life Care Companies LLC, Casey's General Stores, and Bankers Trust.

Mr. Rick Exline joined the company in 1978 and is Executive Vice President/Senior Managing Director of Life Plan Communities and Manager for Life Care Services. He is responsible for oversight of the company's life plan communities, including third party and investment senior living management services. Rick oversees the communities' senior living management teams, health care group, national sales, new business development, and life plan community development teams. Rick serves on the boards for Life Care Companies LLC, LCS Holdings, Inc., Executive Leadership and Senior Living Management teams. Rick is also a trustee for the Company's 401K Benefit Program, as well as serving on the Board of Trustees for Simpson College. He holds dual bachelor's degrees: one in Business Administration from Simpson College

and one in Health Care Administration from Oklahoma Baptist University. He is also a graduate of the Executive Institute at The University of North Carolina at Chapel Hill.

Mr. Jason Victor is Vice President/Controller, Treasurer and a Manager of Life Care Services. Jason joined the organization in 2007 and currently has responsibility for the organization's Corporate Accounting, Treasury and Tax functions. He oversees all aspects of general accounting, cash management, payroll, consolidations, and financial reporting. In addition, Jason provides oversight and guidance related to audits, internal controls, technical accounting, tax, and financial management systems. Jason started his career with Ernst & Young and later spent nine years in various finance positions with Praxair, a Fortune 500 organization. He earned his undergraduate degree in Accounting from the University of Northern Iowa and currently holds an active CPA license in the State of Iowa. Jason also serves on the board of directors of Hexagon Insurance Company, Ltd.

Jill Sorenson is the Senior VP/Senior Director of Life Plan Communities for Life Care Services LLC. She has been with Life Care Services since 1982. After spending 15 years at the LCS corporate office working in the areas of accounting, IT liaison, and corporate resource manager, Jill was promoted to Administrator and eventually Executive Director of a continuing care community in San Diego, California. She was promoted to Director of Operations Management in 2007, to Vice President in 2010, and to Senior Vice President/Senior Director of Life Plan Communities in 2012. Jill holds an MBA from the University of Phoenix and a Bachelor's Degree in Business Administration from Simpson College. She also served as a CARF/CCAC site evaluator from 2000-2007. She has presented at various industry conferences on a state and national level on a variety of topics affecting the senior living industry.

Life Care Services supervises the management and operation of Essex Meadows on behalf of the Provider. In general, management services include recruiting and training administrative personnel; supervising the licensing, equipping, and staffing of Essex Meadows; preparing annual budgets; establishing and operating a system of financial controls for Essex Meadows, including comparative analyses with other projects; supervising health care services; supervising food services; supervising the services relating to the Residences; and providing the highest possible level of services to Residents consistent with the approved budget. The Provider retains the ultimate responsibility for monitoring the operating costs, wages, salaries, expenses and overall fiscal viability of Essex Meadows. Life Care Services does not assume or guarantee the obligations of the Provider under the Residency Agreements. Life Care Services is entitled to full reimbursement for certain costs incurred by it in connection with providing management services to the Provider, including full reimbursement of the Executive Director's and the Administrator's salaries, and is paid a percentage fee based on the total operating revenue of Essex Meadows.

## **EXECUTIVE DIRECTOR**

Jennifer Rannestad is the on-site Executive Director of Essex Meadows. Jennifer is a graduate of the University of New Hampshire with a bachelor of economics degree and has a master of business administration degree from the University of Connecticut. She has been a licensed nursing home administrator since 1985 and also has experience in the home health care field. She has been the Executive Director of Essex Meadows since 1997 and has a passion for excellence in hospitality, quality health care and energy and environmental best practices. In

accordance with the management agreement with Life Care Services, Jennifer is an employee of Life Care Services.

## **ADMINISTRATOR**

Marikate Lynch has been the Administrator of the Essex Meadows Health Center since August 2017. She received her bachelors of science degree from the University of Connecticut in 1995, and her Nursing Home Administrator's License in 1997. Marikate is a licensed nursing home administrator in the State of Connecticut. Prior to joining Essex Meadows, she was employed with Apple Rehab, where she served in the capacity of a regional nursing home administrator from June 2004 to July 2017. She was also employed with Mariner Health Care for eight years. In accordance with the management agreement with Life Care Services, Marikate is an employee of Life Care Services.

## **SENIOR DIRECTOR OF OPERATIONS MANAGEMENT**

Roberta McMenamin is Vice President and Senior Director of Operations Management for Life Care Services. She graduated from Florida Atlantic University in Boca Raton, Florida with a bachelor of health services degree, and from Lesley University in Cambridge, Massachusetts with a master of science degree with a concentration in health services administration. Roberta joined Life Care Services in 1986 and has 15 years' experience as a Life Plan Community Executive Director. In 2004, she was promoted to Regional Operations Manager, and in 2008 she was promoted to Director of Operations Management. Thereafter, Roberta was promoted to Vice President/Senior Director of Operations Management.

## **RESIDENTS' COUNCIL AND RESIDENTS' ASSOCIATION**

The Residents' Council at Essex Meadows consists of 10 Residents, who have been elected by the resident body of Essex Meadows. The Residents' Council represents the interests of the Residents and functions in an advisory role to Administration and the Provider. The Executive Director and Administrator meet with the Residents' Council at least monthly to address Resident concerns, which are then communicated to the Provider. At least twice a year, the Provider will meet with the Residents.

Membership in the Residents' Association is open to all Residents of Essex Meadows. The Residents' Association meets annually to elect members of the Residents' Council. The Executive Director (or her designee) holds monthly meetings with all Residents to provide updates of on-going projects, discuss topics of interest to the Residents, and discuss the completion and availability of the Disclosure Statement. A separate meeting is held by the Executive Director to present the budget. Residents can also become involved at Essex Meadows by serving on one of the numerous Resident committees, including but not limited to: Finance Committee, Marketing Committee, Health Committee, Food Committee, Community Life Services, Green Committee, and Library Committee.

The Provider retains full decision-making authority for the operation of Essex Meadows.

## **II. THE COMMUNITY**

## **THE LOCATION**

Essex Meadows is located at 30 Bokum Road on approximately 104 acres in Essex, Connecticut. The Town of Essex is a colonial seaport village on the Connecticut River near the mouth of Long Island Sound. It offers the best of small-town living combined with strong historical and cultural traditions and unsurpassed natural beauty. Essex is conveniently located between New York City and Boston (just a two-hour train ride in either direction to neighboring Old Saybrook), and it is also a short ride from other Connecticut cities such as New Haven, Hartford, Middletown and New London.

## **ESSEX MEADOWS**

Essex Meadows consists of 176 apartments, 13 cottages, and a 45-bed licensed Health Center, which is Medicare certified.

Apartment styles range from one-bedroom to three-bedroom apartments. Each apartment includes a full updated kitchen, energy-rated appliances and designer closet space, most with balconies or patios with views of either of woodlands or meadows.

Each cottage is designed to provide the ultimate in privacy and choice. All cottages include such amenities as a deluxe kitchen and top energy-rated appliances, environmentally sensitive and energy-efficient geo-thermal heating and cooling systems, walk-in closets, a four season room or screened porch, a fireplace, and an oversized garage with adjacent outdoor parking.

Essex Meadows offers several dining venues: an elegant formal dining room with fireplace and view of the woods; a sun room for casual dining; and a pub for pub-style dining. A private dining room is also available, which may be reserved by Residents for entertaining a group. Other amenities for Residents to enjoy include a library; a billiards room; an arts studio; fitness center and whirlpool; a beauty/barber shop; a sundries shop; a woodworking shop; an auditorium; an indoor salt water swimming pool; guest rooms; and meeting room. Outdoor facilities include a casual nine-hole golf course, a croquet court, garden areas, patio, and woodland trails for hiking and cross-country skiing.

## **THE PERSONNEL**

With approval from the Provider, Life Care Services employs the Executive Director and the Administrator of Essex Meadows under the terms of the management agreement. All other personnel are employed by an affiliate of Life Care Services pursuant to the management agreement between the Provider and Life Care Services. Other personnel at Essex Meadows include receptionists, a community life services director, an accounting director, marketing and sales personnel, maintenance workers and groundskeepers, security personnel, residential health services staff, housekeeping staff, kitchen staff, dining room personnel, clerical staff, and transportation personnel. In the Essex Meadows Health Center, staff include a director of nursing services, registered nurses, licensed practical nurses, and nursing paraprofessionals. A medical director (M.D. or D.O.) has been contracted on a consulting basis to direct care in the Essex

Meadows Health Center. A dietician, an occupational therapist, a physical therapist, and a speech and hearing therapist are available on a consulting basis.

## THE SERVICES

The decision to move into a *LifeCare*® senior living community demands careful consideration of many factors, including the services to be provided. A description of the services provided by the Provider is attached as Exhibit B to this Disclosure Statement. Briefly, in accordance with the terms of the Essex Meadows Residency Agreement and in addition to providing a residence and community amenities for lifetime use by the Resident, the Provider provides the following services: (1) maintenance and cleaning of the common areas; (2) weekly housekeeping services and weekly flat laundry service; (3) full maintenance inside and out, including provided appliances in each Residence; (4) dining services for Residents and their guests; (5) planned activities; (6) security services; (7) scheduled local transportation services; (8) skilled nursing services in the Essex Meadows Health Center; (9) assisted living services in the Resident's residence; (10) emergency call monitoring and response; and (11) various administrative services. Also, additional services are available to the Residents for an extra charge, as outlined in the Residency Agreement.

Residents who do not require ongoing care in the Essex Meadows Health Center, but who need limited additional personal services to continue residing in their residences, may receive additional services through the Community's licensed Resident Health Services Program or through a licensed home care provider of the resident's choice. Services provided by an outside provider will be at the resident's expense. Some of the services furnished through Resident Health Services Program are included in the Monthly Fee, and other services are provided on a fee-for-service basis. The Residential Health Services Director will assist the resident in obtaining these services.

The Health Care Navigator ("Navigator") for health services will assist the Resident in obtaining personal care services from an outside agency of Resident's choice in accordance with Essex Meadows' Personal Service Provider Policy. At the Resident's direction, the Navigator may guide preventative wellness oriented services such as fitness and exercise activities, as well as healthy food choices. Other services may include: wellness screenings such as blood pressure checks, health fairs and life-long learning seminars geared to health and wellness. Should health care needs arise, the Navigator may support Residents with health and medical related services, such as assistance with physician appointments, emergency medical management, physician ordered on-site laboratory screenings, physical and other therapies, as well as private home health services designed to provide care in Resident's Residence during spells of illness or post hospitalization. The goal is to provide as much support as the Resident desires to promote wellness and to avoid admission to a more acute level of health care. If more acute care is needed, the Navigator will coordinate admitting details.

## **HEALTH CENTER**

Essex Meadows has a Medicare-certified on-site Health Center licensed to provide short- and long-term rehabilitative and nursing care to Essex Meadows Residents under the licensure requirements of the State of Connecticut. Our philosophy is to foster an atmosphere and a culture that support independence, dignity, and choice for all Residents regardless of physical or mental abilities. This is achieved through a culture that enhances personal care based on individual choices and quality of life options.

Health Care Services are available to all Residents of Essex Meadows. Residents, under the direction of their attending physician and the Health Center's medical director (after consultation with the Resident's responsible party, if any, and Resident to the extent possible), may be directly admitted to the Essex Meadows Health Center from their Residences. Residents of Essex Meadows have priority access to the Essex Meadows Health Center over nonresidents desiring admission. Residents who are able to do so will be encouraged to return to their Residences as soon as possible. Residents who are unable to return to their residences, however, will have the benefit of care in the Essex Meadows Health Center

The Provider delivers to Residents quality Health Care Services within the limits of its license and consistent with the approved budget. Licensure for hospital-level care cannot be obtained, and hospital level services are not provided within the Essex Meadows Health Center. Such level of care must be provided by a hospital, and the costs related to hospitalization are the responsibility of the Resident.

For detailed information on Health Care Services, see Section 4 of the Residency Agreement.

## **MANAGED CARE**

If a Resident has chosen to participate in a managed care program as an alternative to Medicare Part A, Medicare Part B, and supplemental insurance coverage, the terms governing care in the Essex Meadows Health Center are as follows:

1. If the Essex Meadows Health Center is a participating provider with the Resident's managed care program and the Resident's stay is a Medicare-qualified stay, Essex Meadows will accept, as full payment, reimbursement at the rate negotiated with the Resident's managed care program. The Resident will continue to pay the Monthly Fee for the residence as provided under the terms of the Residency Agreement. Such a managed care stay in the Essex Meadows Health Center will not reduce the number of cumulative days of care that the Resident is eligible to receive without additional charge pursuant to the Residency Agreement.

2. If the Essex Meadows Health Center is not a participating provider with the Resident's managed care program and the Resident chooses to receive health care services at a managed care participating provider during a Medicare-qualified stay, then the Resident must relocate for as long as necessary for those services, and be responsible for

all charges for those health care services. In addition, while receiving health care services at the managed care participating provider, the Resident will continue to pay the Monthly Fee for the residence as provided under the terms of the Residency Agreement. Such a Medicare-qualified stay at a managed care participating provider will not reduce the number of cumulative days of care that the Resident is eligible to receive without additional charge pursuant to the Residency Agreement.

3. If the Essex Meadows Health Center is not a participating provider in the Resident's managed care program and Resident would still like to receive care in the Essex Meadows Health Center during a Medicare-qualified stay, Essex Meadows will attempt to negotiate an acceptable reimbursement rate with the Resident's managed care program. If Essex Meadows is able to negotiate an acceptable rate, Essex Meadows agrees to accept, as full payment, the rate provided by the Resident's managed care program. The Resident will continue to pay the Monthly Fee for the residence as provided under the terms of the Residency Agreement. Such a managed care stay in the Essex Meadows Health Center will not reduce the number of cumulative days of care that the Resident is eligible to receive without additional charge pursuant to the Residency Agreement.

4. If the Essex Meadows Health Center is not a participating provider in the Resident's managed care program and a negotiated rate is not agreed upon and the Resident would still like to receive care in the Essex Meadows Health Center during a Medicare-qualified stay, then each day of the Resident's stay in the Essex Meadows Health Center will reduce by one day the number of cumulative days of care that the Resident is eligible to receive without additional charge pursuant to the Residency Agreement. The Resident will continue to pay the Monthly Fee for the residence and any extra charges for services beyond basic nursing care as provided under the terms of the Residency Agreement. If at any time during any such Medicare-qualified stay in the Essex Meadows Health Center Resident is no longer eligible to receive any of the cumulative days of care provided for in the Residency Agreement, then the Resident will pay the full per diem charge for each day of the Resident's stay in the Essex Meadows Health Center, the Monthly Fee for the residence and any extra charges for services not covered by the per diem charge as outlined in the Residency Agreement.

5. At the conclusion of each such Medicare-qualified stay, the Resident will be entitled to care in the Essex Meadows Health Center in accordance with the terms of the Residency Agreement other than as provided above.

## **CONTRACTS AND FEES**

Life Care Services is the day-to-day manager of Essex Meadows and is paid a management fee for management of the Community pursuant to a management agreement between the Provider and Life Care Services. Life Care Services will also be entitled to reimbursement of certain costs incurred by it in connection with providing management services, including reimbursement of on-site Life Care Services staff salaries.



### **III. THE PROPOSAL**

## **THE LIFE CARE CONCEPT**

The *LifeCare*® concept ensures an individual lifetime use of a residence, support services, and long-term nursing care in an on-site Health Center. This concept has grown as an increasing number of men and women reaching retirement age have sought better alternatives to traditional retirement living. Essex Meadows offers a continuum of services all under one roof so that a Resident will be able to remain an involved member of his/her chosen community even if the Resident health needs change.

There are also numerous financial benefits to being a Resident of a *LifeCare*® community:

- There is no ceiling on the Resident's skilled nursing benefit and Resident enjoys coverage for life.
- For skilled nursing care, Resident will continue to pay essentially the same Monthly Fee as if living in a two-bedroom deluxe apartment (Flex Plan Resident's also pay an additional supplemental charge).
- With our Return-of-Capital® Plan, Resident has the comfort of knowing that a significant portion of his/her initial investment is refundable to the Resident or his/her estate.
- The Flex Plan maximizes Resident's choice and flexibility when it comes to retirement planning. The Flex Plan allows for a reduction in the amount paid for the Entrance Payment. While there is no Return-of-Capital® to a Resident's estate, the Resident has the flexibility to continue to control his/her assets and invest the Entrance Payment savings as he/she wishes.

## **THE RETURN-OF-CAPITAL® PLAN**

Under the Return-of-Capital® Plan Residency Agreement, a Resident pays a First Person Fee, a Second Person Fee if there are two people, and makes a Loan (collectively the "Entrance Payment"). The Loan constitutes a significant portion of the Entrance Payment and is repayable upon cancellation of the Return-of-Capital® Plan Residency Agreement. If a Resident dies or decides to leave Essex Meadows, the full amount of the Loan is repayable to the Resident or Resident's estate pursuant to the Loan Agreement. The First and Second Person Fees may be used by us for any purpose related or unrelated to Essex Meadows.

The Return-of-Capital® Plan Residency Agreement is attached hereto as Exhibit C. We reserve the right to offer new prospective residents alternative forms of residency agreements from time to time.

## THE FLEX PLAN

The Flex Plan Residency Agreement is designed to offer choice and flexibility in retirement planning. A Resident will pay a lesser Entrance Payment – currently 35 percent less than the First Person Fee under the Return-of-Capital® Plan plus a Second Person Fee if there are two people. The Resident has the flexibility to invest this 35 percent savings as he or she wishes. After occupancy, the Entrance Payment paid under the Flex Plan Residency Agreement will reduce by the following: (i) 4 percent of the total Entrance Payment is retained as a processing fee; and (ii) 2 percent of the total Entrance Payment per month of occupancy until the Entrance Payment is fully earned by us.

The Flex Plan Residency Agreement is attached hereto as Exhibit D. We reserve the right to offer new prospective residents alternative forms of residency agreements from time to time.

### SUMMARY OF RESIDENCY AGREEMENTS

Upon deciding to become a Resident of Essex Meadows, a future Resident executes a Residency Agreement to reserve the residence selected. The description of the Residency Agreement and the terms of residency contained in this booklet are qualified by reference to the applicable Residency Agreement. The payment terms and conditions for residency under the Residency Agreements are summarized below:

#### Return-of-Capital® Plan:

1. Entrance Payment under the Return-of-Capital® Plan. The term "Entrance Payment" used throughout the Return-of-Capital® Plan Residency Agreement refers to the sum of two separate payments: the First Person Fee and the Loan as described in Paragraphs 2 and 3 below.
2. Payment of the First Person Fee and Second Person Fee under the Return-of-Capital® Plan. At the time the Return-of-Capital® Plan Residency Agreement is executed by the Resident, he or she is required to pay a portion of the required First Person Fee in an amount equal to 10 percent of the total Entrance Payment, which will be held in escrow until released to us. If there are two Residents, a Second Person Fee will be paid. The balance of the First Person Fee and the Second Person Fee, if applicable, is due to be paid to us upon the earlier of (i) occupancy; or (ii) 60 days following the date we approve the Residency Agreement.
3. Refund of First Person Fee and Second Person Fee under the Return-of-Capital® Plan. The First Person Fee is fully refundable prior to occupancy if (i) we do not accept a Resident's application for residency; (ii) the Resident cancels the Residency Agreement within the 30 day right-of-rescission period; or (iii) due to death, illness, injury or incapacity the Resident is unable to occupy his or her residence. In all other cases of cancellation prior to occupancy, we will retain a processing fee equal to \$5,000 and any costs specifically incurred by us at Resident's request. We will refund the remaining balance, without interest, to the Resident (or his/her estate) within 60 days. After

occupancy, we will refund a declining portion of the First Person Fee based on the period of Resident's occupancy.

After occupancy, the Second Person Fee is not repayable. Any non-repayable First Person Fee or Second Person Fee may be used by the Provider for any purpose related or unrelated to Essex Meadows.

4. Payment of a Loan under the Return-of-Capital® Plan. A Resident will be required to make a Loan to the Provider on the earlier of (i) occupancy the date the Resident moves into Essex Meadows; or (ii) 60 days following the date we approve the Residency Agreement.
5. Loan Repayment. In the event of Resident's death (or the death of the remaining Resident if there are two of you) or in the event of cancellation of the Return-of-Capital® Plan Residency Agreement (cancellation by both Residents if there are two Residents), the Loan shall become due and payable in full upon the date we receive the next Entrance Payment (First Person Fee plus Loan) for the Resident's residence. However, in no event shall such date be more than 36 months from the date the Resident's residence is released to us for reoccupancy.

In the event the residence is reoccupied by an existing Resident of Essex Meadows who transfers from another apartment/cottage, the Loan shall be due and payable upon the date we receive the Entrance Payment (First Person Fee plus Loan) for the apartment/cottage vacated by the existing Resident who transferred to the Resident's residence. If more than one internal transfer of existing Residents occurs, repayment of the Loan will be tied to the last vacated apartment/cottage. However, in no event shall such date be more than 36 months from the date the Resident's residence is released to us for reoccupancy.

If there is one Resident under the Return-of-Capital® Plan Residency Agreement, we will repay the Loan to that Resident or his/her estate (or to whomever that Resident has assigned his/her rights to repayment). If there are two Residents (either through initial residency at Essex Meadows or through a subsequent amendment to the Residency Agreement wherein a second person is added to the Residency Agreement after initial residency in accordance with Essex Meadows' residency policy and with our express written approval), we will repay the Loan to the last remaining Resident or the last remaining Resident's estate (or to whomever the last remaining Resident assigned his/her rights to repayment). We will not repay the Loan while a second Resident is occupying Essex Meadows.

#### Flex Plan:

1. Entrance Payment and Second Person Fee under the Flex Plan. The Resident is required to pay an Entrance Payment in two installments – a 10 percent deposit is due at the time the Resident enters into the Residency Agreement and the remaining balance is due on the earlier of (i) occupancy; or (ii) 60 days following the date of we approve the Residency Agreement. If there are two Residents, a Second Person Fee will be paid on the earlier of (i) occupancy; or (ii) 60 days following the date of we approve the Residency Agreement.

2. Refund of the Entrance Payment and Second Person Fee under the Flex Plan. The Entrance Payment deposit is fully refundable prior to occupancy if (i) we do not accept a Resident's application for residency; (ii) the Resident cancels the Residency Agreement within the 30 day right-of-rescission period; or (iii) due to death, illness, injury or incapacity the Resident is unable to occupy his or her residence. In all other cases of cancellation prior to occupancy, we will retain a processing fee equal to \$5,000 and any costs specifically incurred by us at Resident's request. We will refund the remaining balance, without interest, to the Resident (or his/her estate) within 60 days.

After occupancy, we will retain 4 percent of the Entrance Payment as a processing fee plus 2 percent of the Entrance Payment for each month of occupancy, until the full amount of the Entrance Payment has been earned by us. The balance, if any, will be refunded to the Resident or his/her estate within 60 days after cancellation or death of the remaining Resident. Refund of your Entrance Payment, if any, will not occur while your furniture and other property are in the Residence.

If there is one Resident under the Residency Agreement, we will refund the unearned portion of the Entrance Payment, if any, to that Resident or his/her estate (or to whomever that Resident has assigned his/her rights to repayment). If there are two Residents (either through initial residency at Essex Meadows or through a subsequent amendment to the Residency Agreement wherein a second person is added to the Residency Agreement after initial residency in accordance with Essex Meadows' residency policy and with our express written approval), we will refund the unearned portion of the Entrance Payment, if any, to the last remaining Resident or the last remaining Resident's estate (or to whomever the last remaining Resident assigned his/her rights to repayment). We will not refund the unearned portion of the Entrance Payment, if any, while a second Resident is occupying Essex Meadows.

After occupancy, the Second Person Fee is not repayable. Any non-repayable Entrance Payment or Second Person Fee may be used by the Provider for any purpose related or unrelated to Essex Meadows.

Both Return-of-Capital® Plan and Flex Plan:

1. Payment of a Monthly Fee. A Resident is required to pay a Monthly Fee (and a second person Monthly Fee if there are two Residents) to us in order to live at Essex Meadows. Monthly Fees may be adjusted upon 30 days' advance written notice to Residents. The amount of the Monthly Fee (and second person Monthly Fee, if applicable) will be reflected in the Residency Agreement. See Section 6 of the Residency Agreements for more detailed information.
2. Payment of a One-Time Community Fee. A Resident is required to pay a one-time Community Fee to us on the earlier of (i) occupancy; or (ii) 60 days following the date we approve the Residency Agreement. The Community Fee is non-repayable.
3. Miscellaneous Additional Services and Charges. Section 2 of the Residency Agreements describes certain items available for an extra charge. We will give Residents advance

written notice of not less than 30 days before any changes in ancillary charges are implemented.

4. Charges for Health Care Services in the Essex Meadows Health Center. Section 4 of the Residency Agreements establishes the basis for charges for health care services in the Essex Meadows Health Center. In general, the first 90 days of care in the Health Center will be provided without additional charge (other than the charges two additional meals per day and ancillary items). After 90 days of accumulated care, the charges care in the Health Center will depend upon whether the Resident releases his/her residence and the type of Residency Agreement the Resident selected.
5. Acceptance for Residency. Residency Agreements are subject to acceptance by us. The Resident must be capable of residential living, with or without reasonable accommodations or reasonable modifications, and meet the health criteria as set forth in our current residency policy. After full payment of the Entrance Payment and Second Person Fee (if applicable), the Resident must have sufficient financial resources for payment of all monthly charges, plus other personal expenses which may reasonably be expected, and to meet anticipated increases in the cost of living, including increases in the Monthly Fee.
6. Right-of-Rescission. The Residency Agreement may be rescinded by the Resident by giving us and the escrow agent written notice within 30 days from the date of Resident's execution. In such event, the amount of the Entrance Payment deposit paid by the Resident will be returned in full, without interest, less those costs specifically incurred by us at the Resident's request and described in an addendum to the Residency Agreement signed by the Resident and us.
7. Escrow. During the right of rescission period and until the residence selected by the Resident is available for occupancy, any portion of the Entrance Payment paid by the Resident is required by state law to be held in an escrow account.
8. Financial Assistance. In cases where a Resident's financial resources prove inadequate, the Resident may apply for special financial consideration by the Provider. It is the policy of the Provider not to require a Resident to leave Essex Meadows because of justifiable inability to pay the full Monthly Fees or Health Center charges as long as it does not impair the Provider's ability to operate on a sound financial basis. If this occurs, any deferred charges will be offset against any repayment due the Resident. The circumstances under which a Resident will be allowed to remain at Essex Meadows in the event of financial difficulty are set forth in Section 9.2 of the Residency Agreement. Further, when the Resident initially applies for residency, the Resident agrees to maintain throughout his or her residency the minimum level of assets and income that initially qualified him or her for residency.

## **FEE SCHEDULES**

Historical Entrance Payments and Monthly Fees are included as Exhibit G to this Disclosure Statement. Current Entrance Payments, Monthly Fees and Extra Charges are included as Exhibit H to this Disclosure Statement.

## **ESTATE PLANNING**

The Loan repayment under the Return-of-Capital® Plan or Entrance Payment refund under the Flex Plan is payable to the Resident's estate upon the death of the Resident, or in the case of a double-occupied residence, upon the death of the remaining Resident to the remaining Resident's estate. A Resident who does not wish to have his/her estate receive this refund may choose to assign his or her right to repayment to a trust or other person designated by the Resident pursuant to a form of Assignment approved by us. No other rights under the Residency Agreement are assignable.

If there is one Resident under the Residency Agreement, the Loan repayment or the Entrance Payment refund will be repaid to that Resident or his/her estate (or to whomever that Resident has assigned his/her rights to repayment). If there are two Residents (either through initial residency at Essex Meadows or through a subsequent amendment to the Residency Agreement wherein a second person is added to the Residency Agreement after initial residency in accordance with Essex Meadows' residency policy and with our express written approval), the Loan repayment or the Entrance Payment refund will be repaid to the last remaining Resident or the last remaining Resident's estate (or to whomever the last remaining Resident assigned his/her rights to repayment). The Loan repayment or the Entrance Payment refund will not be repaid while a second Resident is occupying Essex Meadows.

## **IV. FINANCIAL STATEMENTS AND PROJECTIONS**



## FINANCIAL PROJECTIONS

The following information is provided to future Residents, their families, and their advisors to understand the financial basis on which Essex Meadows is operated. Our past experience and the past experience of Life Care Services in successfully managing senior living communities has been the basis for financial planning for Essex Meadows.

### CASH FLOW PROJECTION (PRO FORMA)

On the following pages are the January 1, 2020 through December 31, 2023 pro forma cash flow projection for the Provider. This pro forma projection is based on the assumptions stated in the notes attached thereto and is a projection of future activity rather than historical financial statements. Such pro forma cash flow projection is based on cash flow concepts, which makes it unlike an income statement prepared in accordance with generally accepted accounting principles.

The pro forma cash flow projection is simply a projection of the estimated expenses and income of Essex Meadows. The projected rates for income and expenses are not guaranteed. The percent of increase may be greater or lower based upon the increased cost to operate Essex Meadows and other factors. Variances from these projections should be expected.

CASH FLOW PROJECTION				
For the Period Beginning January 1, 2020				
	Year 1	Year 2	Year 3	Year 4
	2020	2021	2022	2023
Beginning Cash (1)	6,938,092	5,718,200	7,060,126	8,751,666
Additions				
Apartment Service Fees (2)	13,353,759	13,803,210	14,327,881	14,830,112
Health Center Income - Net (3)	5,440,866	5,671,168	5,785,749	5,932,166
Miscellaneous Income (4)	604,864	614,206	735,043	760,770
Community Fees (5)	255,370	264,308	273,559	283,133
Investment Income (excluding HC Escrow) (6)	31,495	15,392	33,106	55,434
Interest on Health Center Escrow Fund (7)	26,598	26,598	26,598	26,598
Net entry fee cash flow	3,201,097	3,466,332	3,492,807	3,697,712
Disbursements				
Operating Expenses (8)	(17,883,762)	(18,330,568)	(18,882,485)	(19,451,034)
Capital Expenses - not paid from fund (9)	(2,281,000)	(836,000)	(660,672)	(739,193)
Capital Expenses - paid from the reserve fund(10)	(1,225,000)	(364,000)	(290,000)	(240,000)
Debt Service	(544,180)	(588,720)	(650,045)	(797,225)
Equity Distributions	(2,200,000)	(2,400,000)	(2,500,000)	(2,600,000)
Net Change	(1,219,892)	1,341,926	1,691,540	1,758,474
Ending Cash	5,718,200	7,060,126	8,751,666	10,510,141

## PRO FORMA CASH FLOW ASSUMPTIONS

- (1) Beginning Cash: represents the cash and reserves on hand at the beginning of the fiscal year.

Cash and Cash Equivalents	\$2,385,990
Restricted and Escrowed Funds	4,552,102
Total	\$6,938,092

- (2) Apartment Service Fees: represents the total of first and second-person Monthly Fees for all residences. The number of second persons was projected using the population projections prepared by a consulting actuarial firm, Milliman, Inc. of Omaha, Nebraska. The number of residences occupied by more than one person projected for 2020 through 2023 is as shown in the following table:

2020	2021	2022	2023
47	45	44	44

- (3) Health Center Income: assumes average daily rates in 2020 of \$495 for a private room and \$409 for a semi-private room. The 45-bed health center is designed for 33 private rooms and 6 semi-private rooms. Private rooms may be converted to semi-private, with total beds not to exceed 45. The average census has been projected to be 89.9 percent in 2020 and 92 percent in 2021 and 90 percent 2022 through 2023.
- (4) Miscellaneous Income: represents revenue from meals, garage rentals, guest rooms, and beauty and barber shops.
- (5) Community Fees: represents a non-refundable one-time fee equal to two times the then-current Monthly Fee. The Community Fee is paid by each resident upon closing on a residence.
- (6) Interest Income: on cash balances is assumed to be at an annual average rate of 1.32 percent.
- (7) Interest on Health Center Escrow: represents interest earnings on the Health Center Resident Loans Escrow account. Deposits are made to the escrow account when a resident moves to the Essex Meadows Health Center. Such deposits are applied towards repayment of the Health Center resident's Loan amount due upon cancellation of the Residency Agreement.
- (8) Operating Expenses: includes the expenses for staffing, materials, and services for the entire project. Operating expenses are projected to increase at 3% annually in 2020 through 2023.
- (9) Capital Expenses – not paid from fund: represents the total cost for the repair or replacement of interior finishes and elements of the buildings and equipment and of other

portions of the buildings and equipment that are not paid from the Repair and Replacement Reserve Fund.

- (10) Capital Expenses – paid from reserve fund: represents the total cost for the repair or replacement of interior finishes and elements of the buildings and equipment and of other portions of the buildings and equipment that are paid from the Repair and Replacement Reserve Fund.

**RESIDENTIAL TURNOVER RATES**

The residential turnover rate is calculated by dividing the number of apartments released by the average number of occupied apartments. The residential turnover rates for the most recently completed 12-month period, and anticipated for the next three years, are as follows:

2020	2021	2022	2023
10.68%	10.53%	10.53%	10.53%

**NUMBER OF HEALTH CARE ADMISSIONS**

The number of health care admissions pursuant to continuing-care contracts for the most recently completed 12-month period, and anticipated for the next three years, is as follows:

2020	2021	2022	2023
65	62	62	62

**DAYS OF CARE**

The days of care per year for the most recently completed 12-month period, and anticipated for the next three years, are as follows:

2020	2021	2022	2023
14,608	14,608	14,608	14,608

**NUMBER OF PERMANENT TRANSFERS**

The number of permanent transfers to the health center in the 12-month period ending December 31, 2019 was six (6) Residents.

**OCCUPANCY RATES**

The occupancy rate for the most recently completed 12-month period (December 31, 2019) was 97%.

## FORECASTED STATEMENT OF REVENUES AND EXPENSES

*PROVIDER'S NOTE: The Provider acquired Essex Meadows in 2018. The outstanding Income Related to Non-Refundable Fees was fully recognized by previous ownership as part of the acquisition. The Annual Income related to these fees will build back over time with the new Entrance Fees from Residents moving in to the Community.*

LCS Essex Meadows LLC				
FORECASTED STATEMENT OF REVENUE AND EXPENSES				
	Year 1	Year 2	Year 3	Year 4
	2020	2021	2022	2023
<b>OPERATING INCOME:</b>				
Amortization of Non-Refundable Fees	112,803	118,443	124,365	130,583
Monthly Service Fees	13,353,759	13,803,210	14,327,881	14,830,112
Health Center Revenues - Net	5,440,866	5,671,168	5,785,749	5,932,166
Interest Income	26,598	26,598	26,598	26,598
Other Income	860,234	878,514	1,008,602	1,043,903
<b>TOTAL INCOME</b>	<b>19,794,260</b>	<b>20,497,933</b>	<b>21,273,194</b>	<b>21,963,363</b>
<b>EXPENSES:</b>				
G&A	4,109,145	4,226,535	4,353,331	4,483,931
Plant	2,909,657	2,886,815	2,975,420	3,066,757
Housekeeping	1,256,092	1,293,815	1,332,630	1,372,609
Dietary	3,793,255	3,918,509	4,036,065	4,157,147
Resident Care	5,815,613	6,004,893	6,185,040	6,370,591
Marketing Expense	498,840	498,840	513,805	529,219
Depreciation/Amortization				
<b>TOTAL OPERATING EXPENSES</b>	<b>18,382,603</b>	<b>18,829,408</b>	<b>19,396,290</b>	<b>19,980,254</b>
<b>NET INCOME</b>	<b>1,411,657</b>	<b>1,668,525</b>	<b>1,876,904</b>	<b>1,983,108</b>

## AUDITED FINANCIAL STATEMENTS

The fiscal year end of the Provider is December 31. Audited financial statements for LCS Essex Meadows LLC for December 31, 2019 are attached as Exhibit E.

## FINANCING

Long term financing for Essex Meadows was provided in November 2018 by a loan with an original balance of \$12.265 million, secured by a first mortgage and security agreement on the real and personal property of, and the revenues generated by the Provider. The financing is structured as a 5-year floating rate transaction; however, shortly after closing on the loan, an interest rate swap was executed to provide for a fixed interest rate of 5.16% during the 5-year loan term. The swap was amended in May 2020 to lower the fixed interest rate to 4.45% during the 5-year loan term. The loan structure also includes a two-year extension option, as well as a single financial covenant – debt service coverage ratio. Under the loan agreement, payments due during the loan term will be interest only.

## **PROVIDER'S COMPENSATION**

The Provider's compensation for the risks of ownership of Essex Meadows is comprised of the First Person Fees, the Second Person Fees (if applicable), the Loans (subject to the Provider's obligation to repay the Loans under the Return-of-Capital® Plan Residency Agreement), the potential appreciation of Essex Meadows, and the tax benefits generally associated with the ownership of real estate. The Provider may make distributions to its Member to the extent there is excess cash. In order to maximize the appreciation of Essex Meadows, there must be substantial future demand for its accommodations and services. This demand will, in part, be dependent upon maintaining viable, competitive Monthly Fees in connection with providing Residents services and amenities at Essex Meadows.

## **V. REGULATORY MATTERS**

## **CONTINUING CARE RETIREMENT COMMUNITY REGISTRATION**

The Provider is subject to the provisions of Connecticut law on Management of Continuing Care Facilities, Chapter 319HH, Connecticut General Statutes Annotated. In compliance with the continuing-care law, the Provider has filed the following documents with the Connecticut Department of Social Services:

- (1) A Disclosure Statement,
- (2) Certain financial information, and
- (3) Escrow account verifications and Escrow Agreements.

All documents filed are a matter of public record and may be reviewed at the Department's office at:

State Department of Social Services  
Office of Certificate of Need and Rate Setting  
55 Farmington Avenue  
Hartford, CT 06105

## **ASSISTED LIVING SERVICES AGENCY LICENSE AND MANAGED RESIDENTIAL COMMUNITY REGISTRATION**

Essex Meadows is licensed with the Connecticut Department of Health as an assisted living services agency and a managed residential community, which allows it to provide assisted living services in a Resident's residence. These services are provided through the Community's Resident Health Services Program or through a licensed home care provider or home health agency of the resident's choice. The managed residential community is not licensed by the Department of Health Systems Regulation.

## **HEALTH CENTER LICENSURE**

Essex Meadows is licensed as a chronic and convalescent nursing home with the Connecticut Department of Public Health. The Health Center has 45 licensed beds – all of which are Medicare certified. The Health Center is not Medicaid certified. The Health Center is required to pass periodic surveys to maintain licensure.

## **ENTRANCE PAYMENT ESCROW**

Under the provisions of the continuing-care law, we have established an escrow account with a bank for purposes of depositing payments made by Residents prior to occupancy. The Trust Department handling the escrow account is located at:

US Bank, National Association  
225 Water Street, Suite 700  
Jacksonville, FL 32202  
(904) 358-5362

US Bank has branch locations in Connecticut.

Interest earned on the escrow account will be credited to us. We are required to maintain the payments received from a Resident in the escrow account until the following events occur:

- (1) The 30-day right of rescission period expires, and
- (2) The residence becomes available for occupancy by the Resident.

Persons desiring to rescind or cancel their Residency Agreement should send a written notice of termination or cancellation by registered or certified mail to:

Essex Meadows  
c/o Administration  
30 Bokum Road, Suite 1  
Essex, Connecticut 06426

and, if during the right of rescission period, also to the escrow agent.

Included as Exhibit F to this Disclosure Statement is a signed statement from the escrow agent verifying that the required Entrance Payment Escrow has been established and maintained.

## **OPERATING RESERVE ESCROW**

We are also required to establish and maintain a reserve fund escrow account in an aggregate amount sufficient to cover:

- (1) All principal and interest, rental or lease payments, due during the next 6 months on account of any first mortgage loan or other long-term financing; and
- (2) The total cost of operations of Essex Meadows for a one-month period, excluding debt service and capital expenditures.

The Trust Department handling the reserve fund escrow is located at:

US Bank, National Association  
225 Water Street, Suite 700  
Jacksonville, FL 32202  
(904) 358-5362

US Bank has branch locations in Connecticut.

Included as Exhibit F to this Disclosure Statement is a signed statement from the escrow agent verifying that the required Operating Reserve Escrow has been established and maintained.



## **INVESTMENT DIRECTION**

Investment direction for the escrow accounts is made in accordance with the terms of the escrow agreements and upon direction of an officer or agent of the Provider. Under the provisions of the continuing-care law, operating reserve funds may not be invested in any building or health care facility of any kind, or used for capital construction or improvements, or for the purchase of real estate. Investment decisions are made with an expectation of reasonable return while maintaining the security of the funds.

## **TAX DISCUSSION AND MEDICAL EXPENSE DEDUCTION**

The signing of the Residency Agreement and payment of the First Person Fee and Monthly Fee gives rise to certain unique tax considerations. Each Resident is advised to consult with his/her personal tax advisor regarding the tax considerations associated with becoming a Resident of Essex Meadows.

A Resident of Essex Meadows may be allowed tax benefits associated with his or her residency. A portion of the Entrance Payment and on-going Monthly Fees paid by a Resident may be taken as a medical expense deduction. Each year, the Provider will issue a letter to the Residents stating the portion of the prior year's fees that have been determined to be attributable to the health related expenses at Essex Meadows.

All deductions are, of course, subject to limitations imposed by the Internal Revenue Code of 1986, as amended. It is advisable that the Residents seek the advice of their tax counsel before taking deductions.

The Provider is not a tax advisor and disclaims any responsibility for any tax advice relating to becoming a Resident of Essex Meadows.

## **JUDICIAL PROCEEDINGS**

No judicial proceedings have been initiated against us as defined under Section 17b-522(b)(4) of the Connecticut General Statutes Annotated or pursuant to State Regulation 17b-533-3(c)(3) which govern the management of continuing care facilities.

## **VI. EXHIBITS**

## **EXHIBIT A**

### **SENIOR LIVING COMMUNITIES MANAGED BY LIFE CARE SERVICES AS OF 04/06/2020**

Alabama, Birmingham – Galleria Woods  
Alabama, Hoover – Danberry at Inverness  
Arizona, Chandler – Clarendale of Chandler  
Arizona, Peoria – Sierra Winds  
Arizona, Phoenix – Sagewood  
Arizona, Tempe (Phoenix) – Friendship Village of Tempe  
California, Cupertino – Forum at Rancho San Antonio, The  
California, San Diego – Casa de las Campanas  
California, San Luis Obispo – Villaggio at San Luis Obispo  
California, San Rafael – Aldersly  
California, Santa Rosa – Arbol Residences of Santa Rosa  
Connecticut, Essex – Essex Meadows  
Connecticut, Mystic – StoneRidge  
Connecticut, Redding – Meadow Ridge  
Connecticut, Southbury – Pomperaug Woods  
Florida, Boca Raton – Toby & Leon Cooperman Sinai Residences of Boca Raton  
Florida, Bradenton – Freedom Village of Bradenton  
Florida, Celebration – Windsor at Celebration  
Florida, Clearwater – Regency Oaks  
Florida, Jacksonville – Cypress Village  
Florida, Leesburg – Lake Port Square  
Florida, Naples – The Glenview at Pelican Bay  
Florida, Palm City – Sandhill Cove  
Florida, Port Charlotte – South Port Square  
Florida, Seminole – Freedom Square of Seminole  
Florida, Seminole – Lake Seminole Square  
Florida, Sun City Center – Freedom Plaza  
Florida, The Villages – Freedom Point at The Villages  
Georgia, Columbus – Spring Harbor at Green Island  
Georgia, Evans – Brandon Wilde  
Georgia, Savannah – Marshes of Skidaway Island, The  
Georgia, Stone Mountain – Park Springs  
Hawaii, Honolulu – Hale Ola Kino  
Illinois, Addison – Clarendale of Addison  
Illinois, Algonquin – Clarendale of Algonquin  
Illinois, Chicago – Clare, The  
Illinois, Godfrey – Asbury Village  
Illinois, Lincolnshire – Sedgebrook  
Illinois, Long Grove – Arboria of Long Grove  
Illinois, Mokena – Clarendale of Mokena  
Illinois, Naperville – Monarch Landing  
Illinois, St. Charles – River Glen of St. Charles  
Illinois, Wheaton – Wyndemere  
Indiana, Carmel – Magnolia Springs at Bridgewater  
Indiana, Greenwood (Indianapolis) – Greenwood Village South  
Indiana, Indianapolis – Magnolia Springs Southpointe

Indiana, Indianapolis – Marquette  
 Indiana, North Manchester – Peabody Retirement Community  
 Indiana, Schererville – Clarendale of Schererville  
 Indiana, Terre Haute – Westminster Village  
 Indiana, West Lafayette – Westminster Village West Lafayette  
 Iowa, Ames – Green Hills Retirement Community  
 Iowa, Cedar Rapids – Cottage Grove Place  
 Kansas, Atchison – Dooley Center  
 Kansas, Bel Aire – Catholic Care Center  
 Kentucky, Florence – Magnolia Springs Florence  
 Kentucky, Lexington – Magnolia Springs Lexington  
 Kentucky, Lexington – Richmond Place Senior Living  
 Kentucky, Louisville – Magnolia Springs East  
 Kentucky, Louisville – Magnolia Springs at Whipps Mill  
 Maryland, Annapolis – Baywoods of Annapolis  
 Maryland, Columbia – Residences at Vantage Point  
 Maryland, Pikesville (Baltimore) – North Oaks  
 Maryland, Timonium – Mercy Ridge  
 Maryland, Towson (Baltimore) – Blakehurst  
 Michigan, Battle Creek – NorthPointe Woods  
 Michigan, Dearborn – Henry Ford Village  
 Michigan, East Lansing – Burcham Hills  
 Michigan, Holland – Freedom Village  
 Michigan, Kalamazoo – Friendship Village  
 Michigan, Waterford – Canterbury-on-the-Lake  
 Minnesota, Champlin – Champlin Shores  
 Minnesota, Plymouth – Trillium Woods  
 Minnesota, Vadnais Heights – Gable Pines  
 Missouri, Higginsville – John Knox Village East  
 Missouri, Kansas City – Kingswood Senior Living Community  
 Missouri, St. Peters – Clarendale of St. Peters  
 Nebraska, Lincoln – Woodlands at Hillcrest, The  
 New Hampshire, Keene – Hillside Village  
 New Jersey, Bridgewater – Delaney of Bridgewater, The  
 New Jersey, Bridgewater – Laurel Circle  
 New Jersey, Lakewood – Harrogate  
 New York, Levittown – Village Green A Carlisle Assisted Living Community  
 New York, Patchogue – Village Walk Patchogue  
 New York, Rye Brook – Broadview Senior Living at Purchase College  
 North Carolina, Chapel Hill – Cedars of Chapel Hill, The  
 North Carolina, Charlotte – Cypress of Charlotte, The  
 North Carolina, Durham – Croasdaile Village  
 North Carolina, Greensboro – WhiteStone  
 North Carolina, Greenville – Cypress Glen Retirement Community  
 North Carolina, Lumberton – Wesley Pines Retirement Community  
 North Carolina, Raleigh – Cypress of Raleigh, The  
 North Carolina, Wilmington – Plantation Village  
 Ohio, Dublin – Friendship Village of Dublin  
 Ohio, Mason – Magnolia Springs Loveland  
 Oklahoma, Bartlesville – Green Country Village  
 Oregon, Dallas – Dallas Retirement Village  
 Oregon, Salem – Capital Manor

Pennsylvania, Coatesville – Freedom Village at Brandywine  
Pennsylvania, Reading – Heritage of Green Hills, The  
Pennsylvania, Warrington – Solana Doylestown, The  
South Carolina, Greenville – Rolling Green Village  
South Carolina, Hilton Head Island – Bayshore on Hilton Head Island  
South Carolina, Hilton Head Island – Cypress of Hilton Head, The  
South Carolina, Sumter – Covenant Place  
Tennessee, Brentwood – Heritage at Brentwood, The  
Tennessee, Hendersonville – Clarendale at Indian Lake  
Tennessee, Nashville – Clarendale at Bellevue Place  
Texas, Austin – Westminster  
Texas, Bedford – Parkwood Healthcare  
Texas, Bedford – Parkwood Retirement  
Texas, Dallas – Autumn Leaves  
Texas, Dallas – Monticello West  
Texas, Dallas – Signature Pointe  
Texas, Dallas – Walnut Place  
Texas, Georgetown – Delaney at Georgetown Village, The  
Texas, League City – Delaney at South Shore, The  
Texas, Lubbock – Carillon  
Texas, Richmond – Delaney at Parkway Lakes, The  
Texas, Spring – Village at Gleannloch Farms, The  
Texas, Temple – Meridian of Temple  
Texas, The Woodlands – Village at the Woodlands Waterway, The  
Texas, Victoria – Copperfield Village  
Texas, Victoria – Greatwood Homes of Victoria  
Texas, Waco – Delaney at Lake Waco, The  
Utah, Taylorsville – Summit Vista  
Vermont, White River – Village at White River Junction, The  
Virginia, Fairfax – Virginian, The  
Virginia, Gainesville – Heritage Village Assisted Living and Memory Care  
Virginia, Virginia Beach – Atlantic Shores  
Washington, Issaquah – Timber Ridge at Talus  
Wisconsin, Greendale – Harbour Village  
Wisconsin, Mequon – Newcastle Place  
Wisconsin, Milwaukee – Eastcastle Place

## **EXHIBIT B**

### **DESCRIPTION OF THE SERVICES**

The services provided by Essex Meadows to Residents are listed in the Residency Agreement, which governs all such obligations. In an attempt to more fully explain the nature of these services, the following detailed description has been prepared. The procedures to be followed in furnishing these services may be modified by us in consultation with Essex Meadows' Association of Residents.

Included in Exhibit H to this Disclosure Statement is a list of ancillary charges for any additional items described herein.

#### **Additional Services**

Additional services are provided to Residents for an extra charge billed monthly. Such services include, but are not limited to: guest accommodations (with a seven-day limit on usage), guest meals, beauty/barber shop services, additional Resident meals, additional housekeeping, personal laundry service, and such other reasonable services as requested.

#### **Beauty and Barber Shop**

Beauty and barber shop services are available at additional charge.

#### **Community Life Services**

The Community Life Services Director is responsible for fitness programming, scheduling group events and transportation, creating newsletters, and overseeing the arts, crafts, and other activities in the Residential portion of Essex Meadows.

#### **Dining Services**

Residents are provided with one meal each day, which may be taken at any scheduled time during the month in our elegant dining room or casual sun room and pub. Guest meals are also available at an extra charge. Unused monthly meal credits may be applied against guest meals served during the same calendar month. Any meals taken beyond the monthly meal credit will be added to the Resident's monthly billing statement.

There are three dining venues available at Essex Meadows:

- **Formal Dining Room:** This dining venue is typical restaurant-style dining. The items served include soup, salad, and choice of multiple entrees, starch, vegetable, beverage, and dessert options. Main entrees are the same at lunch and at dinner.
- **The Pub:** This dining venue is a more casual environment. Coffee, tea and soft drinks are available throughout the day. Pastries are set out in the morning, and, during lunch, a pub menu of specialty sandwiches, soups, and salads is offered. The Pub is a comfortable place to gather before dinner to enjoy "Happy Hour" entertainment, or to simply stay and enjoy ordering from the evening Pub menu.
- **The Sun Room:** A bright, sunny room located off the main dining area. It offers a more relaxed atmosphere to enjoy the dining room menu.

No matter the venue, Residents must dress and conduct themselves in a socially acceptable manner.

Modified diet consultation is provided to Residents by the dietary department when a modified diet has been ordered by a Resident's physician. The services of the dietitian are available to the Residents to provide special diet meal plans.

To-Go meals are available during meal times. We will package any menu items and make them available for pick-up at no additional fee. Meal delivery service, known as Knock and Drop, is also available for no extra charge.

### **Health Center**

A physician has been retained on a consulting basis to act as the medical director of Essex Meadows Health Center. The medical director will be responsible for medical supervision of Essex Meadows Health Center operations, quality of care assurance, and Resident care planning. The medical director may also be called upon by Community staff to assist in determination of a Resident's health and whether or not the Resident requires additional care in the Essex Meadows Health Center.

If a Resident requires health care services, he or she may be transferred directly to the Essex Meadows Health Center from his/her residence if ordered by a physician and hospital care is not needed. The Resident's attending physician or Essex Meadows' medical director will determine the appropriate level of care required by the Resident upon admission to the Essex Meadows Health Center. Essex Meadows' nursing staff will provide an appropriate plan of care, the ultimate goal of which will be, if at all possible, to return the Resident to his or her residence as soon as possible.

The Essex Meadows Health Center will be staffed to provide quality care to Residents of Essex Meadows and to non-residents admitted from the surrounding area. If a Resident desires special additional nursing staff while a patient in the Essex Meadows Health Center, arrangements may be made through the Essex Meadows Health Center at additional cost to the Resident.

Both private and semi-private accommodations are available in the Essex Meadows Health Center, and based on availability, the Resident may choose between private and semi-private accommodations. There is an additional charge for private accommodations as outlined in the Residency Agreement. In our sole discretion, if the private room in which a Resident is residing is needed for semiprivate use, Resident will be required to reside in a semiprivate room until a private room is once again available (unless a private room is medically necessary). Care in Essex Meadows Health Center includes basic nursing care provided in accordance with the laws and regulations governing skilled nursing facilities.

The Resident is responsible for the charges for services provided by his or her attending physician and/or the medical director. In the event a Resident's attending physician or medical director orders medication, therapy, or various supplemental services for a Resident's care, the Resident will be responsible for the extra charges for such services and supplies. Because the Monthly Fee includes only one meal per day, the cost of two additional meals per day will be added to a Resident's monthly billing statement during his or her stay in the Essex Meadows Health Center.

In the event Essex Meadows Health Center is fully occupied, we will place the Resident in an alternate facility of comparable skilled level, and the Resident will pay the same monthly charges to us as if he or she were a patient in Essex Meadows Health Center.

Family, friends, and volunteers are encouraged to visit the Resident. Friends, relatives, or spouses may take meals with Essex Meadows Health Center Residents upon advance notice.

### **Health Care Center Permanent Assignment**

When a Resident's condition is expected to continue to require the services of the Essex Meadows Health Center, the Resident has a choice as to when to give up his/her residence. Residents of Essex Meadows are provided up to 90 cumulative days of care in the Essex Meadows Health Center at no additional cost, other than for the two additional meals per day and for physician services and ancillary items. After 90 cumulative days of care, the Resident's monthly charges depend upon whether the residence is released as explained below:

(a) In the case of a single-occupied residence, if a Resident chooses to release his or her residence, the Monthly Fee for the residence will cease and the Resident will pay the then-current Monthly Fee for the two-bedroom deluxe apartment, plus extra charges for two additional meals, physician services, and ancillary items. Under the Flex Plan Residency Agreement, the Resident will also pay a supplemental charge, which is outlined in Section 4.17 of the Flex Plan Residency Agreement. There is an additional charge for private accommodations.

(b) In the case of a single-occupied residence, if a Resident chooses to keep his or her residence, the Resident will continue to pay the Monthly Fee for the residence. In addition, the Resident will pay a monthly charge for health care services equal to the then-current Monthly Fee for the two-bedroom deluxe apartment, plus the extra charge for one meal per day not covered by the two Monthly Fees, physician services, and ancillary items. Under the Flex Plan Residency Agreement, the Resident will also pay a supplemental charge, which is outlined in Section 4.17 of the Flex Plan Residency Agreement. There is an additional charge for private accommodations.

(c) In the case of a double-occupied residence, if only one of the Residents requires health care services beyond the 90 days, that Resident will pay the then-current first person Monthly Fee for the two-bedroom deluxe apartment and the cost of extra meals per day, physician services, and ancillary items. The Resident who has remained in the residence will continue to pay the first-person Monthly Fee for the residence. Under the Flex Plan Residency Agreement, the Essex Meadows Health Center Resident will also pay a supplemental charge, which is outlined in Section 4.17 of the Flex Plan Residency Agreement. There is an additional charge for private accommodations.

(d) In the case of a double-occupied residence, if both Residents require health care services beyond the 90 days and the Residents choose to release their residence, the Monthly Fee for their residence (first and second person) will cease. They will each pay the then-current first person Monthly Fee for the two-bedroom deluxe apartment, plus the extra charges for the extra meals per day, physician services, and ancillary items. Under the Flex Plan Residency Agreement, each Resident will also pay a supplemental charge,



which is outlined in Section 4.17 of the Flex Plan Residency Agreement. There is an additional charge for private accommodations.

(e) In the case of a double-occupied residence, if both Residents require health care services beyond the 90 days and the Residents choose to keep their residence, they will continue to pay the monthly charges for the residence. In addition, each Resident will pay a monthly charge for health care services in an amount equal to the then-current first-person Monthly Fee for the two-bedroom deluxe apartment, plus the extra charges for extra meals per day, physician services, and ancillary items. Under the Flex Plan Residency Agreement, each Resident will also pay a supplemental charge, which is outlined in Section 4.17 of the Flex Plan Residency Agreement. There is an additional charge for private accommodations.

### **Laundry**

We provide weekly flat laundry service, including washing, drying, folding, and returning Residents' flat laundry within a specified time. This service includes the following items: sheets, pillowcases, towels, facecloths, and dishcloths. Although the use of permanent-press linen is strongly recommended, the staff will launder nonpermanent-press items, but will not iron flat laundry. Personal laundry service is also available for an additional charge.

### **Maintenance**

We maintain all buildings, grounds, and common areas and also provide weekly housekeeping services in the residences. Housekeeping services include cleaning, dusting, and vacuuming the interior of the residence; washing of hard surface floors; and cleaning of ovens and windows (as needed). Furniture is moved at least once a year for cleaning hard-to-reach areas. - Extra maintenance and cleaning help is available at additional charge.

### **Monthly Billing Statement**

A monthly billing statement outlining the Monthly Fee and any extra charges will be placed in the Resident's mailbox or other appropriate place on or about the fifth day of the month. Monthly billing statements are required to be paid by the tenth business day of each month.

### **Resident Health Services Program**

Essex Meadows offers additional personal services to Residents through its licensed Resident Health Services Program. The purpose of this program is to provide assistance to Residents should the need arise, so that living in a residence can continue for as long as possible. Resident health services include bathing, dressing, additional housekeeping, shopping, escort, and laundry. Some Resident health services are available as part of the Monthly Fee while other Resident health services are available for an additional charge. We reserve the right to add, delete, or modify such additional services from time to time.

### **Parking**

Surface parking is provided for each apartment. In addition, garages are available to Residents on a first-come, first-served basis for an additional monthly fee. Each cottage has a two-car attached garage.

## **Pets**

Essex Meadows is proud to be a *LifeCare*® retirement community that permits pets. The following pet policy has been adopted by Essex Meadows:

(a) The privilege of keeping pets is subordinate to the rights of all Residents of Essex Meadows to be free from any inconvenience created by other Residents' pets. Pet owners will pay the costs of maintaining all programs associated with pet policies and agreements.

(b) Pets are permitted in the residences provided the Resident signs a separate pet agreement. The Resident is required to pay a \$1,000 deposit to us. Any interest earned on the deposit will remain our property.

(c) The maintenance of a pet at Essex Meadows is a revocable privilege, subject to administrative approval and evaluation of the suitability of a pet. The Executive Director's permission or denial to keep a pet in the Resident's residence shall be final. The animal must be spayed/neutered. Removal of the pet may be required if the Administrator determines that it is necessary to protect the rights of other Residents.

(d) The Resident shall be responsible for keeping the pet properly restrained and for cleaning up after the pet. The Resident shall make arrangements for the care and treatment of the pet in the event of the Resident's death or inability to care for the pet, and shall notify Essex Meadows of such arrangements. The Resident will restrict pet access to those areas designated as areas allowing pets.

(e) No additional or replacement pet will be permitted without prior approval of the Executive Director.

(f) In order to protect the Residents of Essex Meadows, this policy will be subject to revision from time to time.

## **Prescription Service**

Delivery service from various pharmacies is provided for the Residents' convenience.

## **Private Dining Room**

A private dining room is available for use by Residents and their guests. Special meals, if desired, are available for an additional charge. Advance reservations are required.

## **Receptionist**

A receptionist is on duty from approximately 8:30 am to 8:00 pm M-F. Additional hours may be scheduled depending on the needs of the Residents and staff. All payments of monthly billing statements, as well as maintenance orders and messages, are handled at the reception desk.

**Security**

Security personnel are provided at Essex Meadows. For the Residents' added safety, all entrance and exit doors (except the main entrance and employee entrance during the day) are locked 24 hours a day, requiring the Residents to use an electronic device to gain entrance.

**Telephone Service**

Each residence has live jacks in various locations. Actual telephone service is at the Resident's expense.

**Transportation**

Scheduled bus or other transportation services are provided throughout the week. Areas of regularly scheduled transportation generally include shopping centers and medical and other professional offices. Special events transportation and private transportation may be provided at extra cost to the Resident

**EXHIBIT C**

**RETURN-OF-CAPITAL® PLAN RESIDENCY AGREEMENT**

**EXHIBIT D**

**FLEX PLAN RESIDENCY AGREEMENT**

**EXHIBIT E**

**AUDITED FINANCIAL STATEMENTS**

**EXHIBIT F**

**STATEMENT FROM ESCROW AGENT**

**EXHIBIT G**

**HISTORICAL ENTRANCE PAYMENTS AND MONTHLY FEES**



**RETURN OF CAPITAL™ ENTRANCE PAYMENT  
(Historical)**

*PROVIDER'S NOTE: The Provider acquired Essex Meadows in 2018 and the historical fees for years 2016-2017 charged by prior ownership are provided for reference.*

	January 2016	January 2017	January 2018	January 2019
<b>Apartments</b>				
One-Bdrm Traditional	197,700	201,654	201,654	207,704
One-Bdrm Deluxe	245,000	249,900	249,900	257,397
One-Bdrm Custom	252,000	257,040	257,040	264,751
One-Bdrm Extended Custom	263,000	268,260	268,260	276,308
One-Bdrm w/ Den	294,000	299,880	299,880	308,876
Two-Bdrm Traditional	294,000	299,880	299,880	308,876
Two-Bdrm Deluxe	361,000	368,220	368,220	379,267
Two-Bdrm Custom	361,000	368,220	368,220	379,267
Two-Bdrm Enhanced	412,000	420,240	420,240	432,847
Two-Bdrm Deluxe w/ Den	433,000	441,660	441,660	454,910
Two-Bdrm Custom w/ Den	433,000	441,660	441,660	454,910
The Essex Suite	437,000	445,740	445,740	459,112
The Meadows Suite	489,000	498,780	498,780	513,743
The Cascade Suite	539,000	549,780	549,780	566,273
Three-Bdrm Custom	612,000	624,240	624,240	642,967
<b>Cottages</b>				
Silver Star	618,000	642,720	642,720	662,002
Columbia	773,500	804,440	804,440	828,573
Charter Oak	814,000	846,560	846,560	871,957
Lexington	900,000	936,000	936,000	964,080

The Entrance Payment represent the total of the First Person Fee and the Loan.

**FLEX PLAN ENTRANCE PAYMENTS  
(Historical)**

*PROVIDER'S NOTE: The Provider acquired Essex Meadows in 2018 and the historical fees charged for years 2016-2017 by prior ownership are provided for reference.*

	January 2016	January 2017	January 2018	January 2019
<b>Apartments</b>				
One-Bdrm Traditional	128,505	131,075	131,075	135,007
One-Bdrm Deluxe	159,250	162,435	162,435	167,308
One-Bdrm Custom	163,800	167,076	167,076	172,088
One-Bdrm Extended Custom	170,950	174,369	174,369	179,600
One-Bdrm w/ Den	191,100	194,922	194,922	200,770
Two-Bdrm Traditional	191,100	194,922	194,922	200,770
Two-Bdrm Deluxe	234,650	239,343	239,343	246,523
Two-Bdrm Custom	234,650	239,343	239,343	246,523
Two-Bdrm Enhanced	267,800	273,156	273,156	281,351
Two-Bdrm Deluxe w/ Den	281,450	287,079	287,079	295,691
Two-Bdrm Custom w/ Den	281,450	287,079	287,079	295,691
The Essex Suite	284,050	289,731	289,731	298,423
The Meadows Suite	317,850	324,207	324,207	333,933
The Cascade Suite	350,350	357,357	357,357	368,078
Three-Bdrm Custom	397,800	405,756	405,756	417,929
<b>Cottages</b>				
Silver Star	401,700	417,768	417,768	430,301
Columbia	502,775	522,886	522,886	538,573
Charter Oak	529,100	550,264	550,264	566,772
Lexington	585,000	608,400	608,400	626,652

**MONTHLY FEES  
(Historical)**

*PROVIDER'S NOTE: The Provider acquired Essex Meadows in 2018 and the historical fees charged for years 2015-2017 by prior ownership are provided for reference.*

**(Return-of-Capital® Plan and Flex Plan)**

	January 2016	January 2017	January 2018	January 2019
<b>Apartment</b>				
One-Bdrm Traditional	3,556	3,668	3,773	3,872
One-Bdrm Deluxe	3,872	3,994	4,109	4,221
One-Bdrm Custom	4,024	4,151	4,270	4,389
One-Bdrm Extended Custom	4,024	4,151	4,270	4,389
One-Bdrm w/ Den	4,195	4,327	4,451	4,577
Two-Bdrm Traditional	4,195	4,327	4,451	4,577
Two-Bdrm Deluxe	4,475	4,617	4,749	4,887
Two-Bdrm Custom	4,475	4,617	4,749	4,887
Two-Bdrm Enhanced	4,687	4,836	4,974	5,121
Two-Bdrm Deluxe w/ Den	4,832	4,985	5,128	5,281
Two-Bdrm Custom w/ Den	4,832	4,985	5,128	5,281
The Essex Suite	5,426	5,598	5,759	5,937
The Meadows Suite	5,744	5,926	6,096	6,288
The Cascade Suite	6,536	6,744	6,938	7,164
Three-Bdrm Custom	7,159	7,386	7,599	7,851
<b>Cottage</b>				
Silver Star	5,956	6,145	6,321	6,522
Columbia	6,268	6,467	6,654	6,868
Charter Oak	6,453	6,658	6,849	7,071
Lexington	6,880	7,099	7,303	7,543
<b>Second Person Fee</b>	2,000	2,062	2,120	2,153

**EXHIBIT H**

**CURRENT FEE SCHEDULES**

**As of 01/01/2020**

**Entrance Payments and Monthly Fees:**

	ROC Entrance Payment	Flex Plan Entrance Fees	Monthly Fees
One-Bedroom Traditional	\$216,012	\$140,408	\$3,996
One-Bedroom Deluxe	267,693	174,000	4,2356
One-Bedroom Custom	275,341	178,972	4,530
One-Bedroom Extended Custom	287,360	186,784	4,530
One-Bedroom Den	321,231	208,800	4,724
Two-Bedroom Traditional	321,231	208,800	4,724
Two-Bedroom Deluxe	394,437	256,384	5,044
Two-Bedroom Custom	394,437	256,384	5,044
Two-Bedroom Enhanced	450,161	292,605	5,285
Two-Bedroom Deluxe with Den	473,106	307,519	5,450
Two-Bedroom Custom with Den	473,106	307,519	5,450
Essex Suite	477,477	310,360	6,127
Meadows Suite	534,293	347,291	6,489
Cascade Suite	588,924	382,801	7,394
Three-Bedroom Custom	668,686	434,646	8,102
Silver Star (Cottage)	688,482	447,513	6,731
Columbia (Cottage)	861,716	560,115	7,087
Charter Oak (Cottage)	906,835	589,443	7,297
Lexington (Cottage)	1,002,643	651,718	7,785
Second Person Fee	\$11,000	\$11,000	\$2,222

Fees are subject to change.

## ANCILLARY CHARGES

Effective January 1, 2020

### GENERAL OFFICE

Guest Room (includes one guest meal per person per stay) and sales tax	\$135.00 per night
Cot Rental (includes linens and sales tax)	\$ 15.00 per night
Postage	Billed at cost
Faxes – incoming and outgoing	\$ 2.00 per fax
Printing – Black & White	\$ .15 per page
Copies – Black & White	\$ .15 per page
Copies – Color	\$ .25 per page
Notary Service	\$ 6.00 per document
Returned Check Fee	Billed at cost

Note – For your convenience, our accounting department can add a monthly donation to your Essex Meadows bill for the Employee Appreciation Fund and/or the Scholarship Foundation. We will forward your donations on to the respective fund/foundation on your behalf.

### COMMUNITY LIFE SERVICES

Trips & Special Classes	Billed at cost
Trip Transportation Fees	\$ 5.00 local 10.00 out of state
Group Fitness Classes	No fee
Personal Training – Tuesday & Thursday mornings	No fee
Individual Personal Training	Billed by provider
Personal Training with Licensed Physical Therapist	Arranged w/Health Center
Instructional Materials, Equipment, and Supplies	Billed at cost
Admissions Fees/Tickets to Performances	Billed at cost

### CONCIERGE

Items listed below	\$ 8.75 per 15 mins. \$ 26.00 per hour
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- Assistance with tasks such as booking travel, arranging services, watering plants, making reservations, drop off & pick up of dry cleaning, prescriptions
- Personalized Shopping – including gifts, gift wrapping
- Basic Technology Support such as managing files, using Skype, i-Tunes, syncing calendar, managing contacts, private WiFi, etc.
- Administrative Services including typing, filing, copying, project assistance
- Grocery Service – buying/delivering

Assisting with coordination of pet care and dog walking	Billed by provider
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## TELEVISION/INFORMATION TECHNOLOGY (IT)

High Definition Television Channels 2.1 – 49.1	No fee
Premium Channels 50.1 – 69.1	\$ 32.00 per month
Public WiFi (internet access for general use)	No fee
IT Support Internet Café (for the basics)	No fee
IT Support Individual Work Orders (for the basics)	See Concierge
IT Support utilizing Essex Meadows IT Consulting Firm	\$175.00 per hour

Note – Public WiFi bandwidth does not support heavy streaming for movie or television viewing. Internet connections for heavy streaming should be through private Frontier Communication.

## TRANSPORTATION

Weekly Scheduled Bus Transportation	No fee
Scheduled Medical Transportation to local area and Middletown on Wednesdays, 9 a.m. – 4 p.m.	No fee
One Way Local Transportation	\$ 17.00* flat rate
Round Trip Local Transportation	\$ 25.00* flat rate
Driver Time – waiting or when driving beyond local area	\$ 25.00* per hour
Non-local Private Car – (IRS mileage rate per mile plus driver time @ \$25 per hour or part of an hour)	Variable
Old Saybrook Train Station (includes wait time up to 30 minutes)	\$ 17.00 flat rate
Union Station – New Haven (includes wait time up to 30 minutes)	\$ 60.00 flat rate
Bradley Airport (includes wait time up to 30 minutes)	\$ 75.00 flat rate
TF Green Airport (includes wait time up to 30 minutes)	\$ 85.00 flat rate
New York Airports	See Transportation Coordinator for rates
Private Bus Rental (\$200 plus mileage, plus driver)	\$ 35.00 per hour/or portion of hour (driver time)
Resident's Own Car Drop Off and Pick Up for Oil Change and Auto Repair	\$ 25.00 per hour

\* Hours of Service between 8 p.m. and 8 a.m., weekends, and Holidays are billed at time and one half

Note – We will do our best to accommodate your schedule. Please provide advance notice so we can secure a driver. All services are subject to driver availability. Mileage rate fluctuates with IRS guidelines.

## RESIDENT HEALTH SERVICES

Referrals, follow-up emergency calls, support, counseling, education, equipment assistance	No fee
Nursing and Blood Pressure Clinics	No fee
Bed Making – flat rate unless residents receives ALSA services	\$ 5.00 per bed
Companion, Unpacking and Household Services	\$ 25.00* per hour
Certified Nursing Assistance – (See RHS for packages for 10 hours per week)	\$ 8.50* per 15 minutes \$ 30.00* per hours
Scheduled Nursing Visit	\$ 30.00* per visit
Medication Management – (includes 3 reminders per day)	\$190.00 per month
Assisted Living Case Management	\$120.00 per opening 75.00 per recertification
First Aid Kits and Supplies	Fee Schedule Available

\*Holidays and hours between 8 p.m. and 8 a.m. are billed at time and one half

Note – Essex Meadows has a Personal Service Provider (PSP) Policy to protect the health, safety, and welfare of its resident, staff, and community if a resident needs or desires the services of an assistant, the resident is encouraged to obtain these services from Resident Health Services. However, a resident can choose whomever he/she wants to provide assistance as long as the aide adheres to the PSP Policy which includes, but is not limited to, registration, TB test, and criminal background check. Please see Resident Health Services or Administrator for a copy of the PSP Policy and its accompanying forms.

Background Check for PSP	\$ 30.00
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BEAUTY SALON SERVICES (Fee schedule available in Salon) A la Carte

## HOUSKEEPING

Carpet Spot Cleaning or Extractions	\$ 15.00 per 15 minutes
Additional Housekeeper	\$ 25.00 per hour
Rolling Dumpster	\$ 50.00 per use
Hamilton Hall Private Event Set-up and Breakdown with tables, chairs, and linens	\$100.00 flat rate

## MAINTENANCE

General Maintenance Assistance (beyond routine maintenance)	\$ 10.00 per 15 minutes plus cost of supplies
Replacement of Key Fob, Keys, Garage Door Openers	\$ 15.00 per replacement
Medco Apartment Keys	\$ 30.00 per replacement
Grounds Maintenance – First floor gardens adjacent to apartment patio	Billed at cost or by provider

## HEALTH CENTER

Meal Plan	\$ 40.00 per day (2 meals)
Private Room Differential – Standard	\$ 50.25 per day
Private Room Differential – Medium	\$ 78.50 per day
Private Room Differential – Semi-Converted	\$ 144.00 per day
Medical Supplies	Price Schedule Available
Private Nurses Aide or Attendant at Bedside	See RHS rates
Physical or Occupational Therapy Transitional Exercise Class	No fee
Outpatient Physical or Occupational Therapy Medicare or Private	Contact Therapy Department
Outpatient Speech Therapy Services Medicare or Private	Contact Therapy Department
Consultation with Nutritionist Regarding Essex Meadows Food Choices	No fee
Apartment/Cottage Resident Use of Whirlpool Tub	See RHS – cost of assistance
Social Service Admission or Discharge Planning, Support Groups	No fee
Activities Available to Apartment/Cottage Residents	No fee

### FOOD & BEVERAGE

Extra Breakfast/Lunch/Dinner	\$ 17.00
Guest Meal – no meal credit used	\$ 27.00
Guest Meal – with meal credit	\$ 10.00
Holiday Guest Meal – Easter, Mother’s Day, Thanksgiving, Christmas – No meal credits accepted	\$ 30.00
Holiday Guest Meal – Children under 10	\$ 15.00
“Knock & Drop” Meal Delivery	No fee
Meal Credit – Per Absence Policy	\$ 6.50 per meal
Private Dining Room Meals	According to menu
Private Dining Room Reservation including Server	\$ 25.00 per hour
Activities Box Meals	According to menu
Gift Baskets	According to contents
Pub Dining and Specialty Beverages	A la carte
Special Food Request (i.e., shrimp cocktail for takeout)	According to content

Fees are subject to change.



Essex Meadows  
Beauty / Barber Shop  
**Charges Effective**  
**January 1, 2020**

<b>SHAMPOO</b>	<b>16.00</b>
<b>SHAMPOO &amp; SET</b>	<b>32.00</b>
<b>WOMEN'S HAIRCUT</b> (Including Shampoo & set)	<b>63.00</b>
<b>WOMEN'S HAIRCUT only</b> (No Shampoo)	<b>31.00</b>
<b>MEN'S HAIRCUT</b>	<b>21.00</b>
<b>PERMANENT WAVE</b> (Including Shampoo,set,Haircut)	<b>120.00</b>
<b>COLOR</b> (Including Shampoo,set,Haircut)	<b>108.00</b>
<b>Dimensional Color</b> (Including Shampoo,set,Haircut)	<b>145.00</b>
<b>SCALP TREATMENT</b>	<b>15.00</b>
<b>TWEEZE</b>	<b>6.00</b>
<b>MANICURE</b>	<b>25.00</b>
<b>GEL Manicure</b>	<b>32.00</b>
<b>Pedicure</b>	<b>45.00</b>

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