



Disclosure Statement

Contract Year

2022

403 West Center Street • Manchester, CT 06040-4792
Voice Mail: 860-647-7828 • Receptionist: 860-647-9343
1-888-2ARBORS (toll free) www.ArborsCT.com



DISCLOSURE STATEMENT

This Facility, like all other Continuing 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.

September 12, 2022



Indicates it is illegal to discriminate against any person because of race, color, religion, sex, handicap, familiar status, or national origin.

Arbors is a non-smoking environment.

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NAME AND ADDRESS OF PROVIDER

Arbors of Hop Brook ALF Operations LLC is a limited liability company with its principal place of business located at 403 West Center Street, Manchester, Connecticut 06040. The primary interest in the sponsorship of the community is to provide the highest quality retirement living option with access to certain health-related benefits, including long-term healthcare, within a sound financial plan.

OWNERSHIP INFORMATION

Arbors of Hop Brook ALF Operations LLC (“Arbors of Hop Brook”) is wholly owned by CT-3 Operations Holdings LLC, which is a State of Delaware registered limited liability company that is managed by Moshe Sonnenschein, Pinchos Bak, and Shlomo Goldberger.

The owners of CT-3 Operations Holdings LLC are the following:

Moshe (Mark) Gottlieb

MLS Family, LLC

MLS Family Trust (Chaim Isaac, Trustee)

SGS Family, LLC

SGS Family Trust (Chaim Isaac, Trustee)

JMH Family, LLC

JMH Family Trust (Hadassa Bak, Trustee)

BUSINESS EXPERIENCE

CT-3 Operations Holdings LLC is a Manager-Managed Limited Liability Company and is managed by Moshe Sonnenschein, Pinchos Bak, and Shlomo Goldberger. The individual managers of CT-3 Operations Holdings LLC have had significant experience operating long-term care facilities for over 20 years.

Arbors of Hop Brook was organized for the purpose of combining independent living with the security of long-term health benefits. To that end, the owner/manager of Arbors of Hop Brook is also the one-hundred (100%) percent owner/manager of the licensed chronic and convalescent nursing home, Manchester Manor SNF Operations d/b/a Manchester Rehabilitation and Health Care Center, located on the adjacent property.

Arbors of Hop Brook is also affiliated with Vernon Manor SNF Operations LLC, a 120-bed skilled nursing facility in Vernon, CT through common ownership.

JUDICIAL PROCEEDINGS

None of the owners of Arbors of Hop Brook have been convicted of a felony or pleaded nolo contendere to a felony charge, or held liable or enjoined in a civil action by final judgment involving fraud, embezzlement, fraudulent conversion or misappropriation of property; nor is subject to a restrictive or remedial order of a court of record, nor has had any State or Federal license or permit suspended or revoked.

AFFILIATION

Arbors of Hop Brook is not affiliated with any religious, charitable or other non-profit organization.

Arbors of Hop Brook is affiliated with the following entities through common ownership:

Manchester Manor SNF Operations LLC, which operates the skilled nursing facility known as Manchester Rehabilitation and Health Care Center located at 385 West Center Street, Manchester, CT and Manchester Manor SNF Realty, LLC, which owns the real property at that location.

Vernon Manor SNF Operations LLC, which operates the skilled nursing facility known as Vernon Rehabilitation and Healthcare Center, a 120-bed skilled nursing facility located at 180 Regan Road, Vernon, CT and Vernon Manor SNF Realty LLC, which owns the real property at that location.

DESCRIPTION OF THE PROPERTY

Location

The Community is located at 403 West Center Street, Manchester, Connecticut. The site meets the requirements of the Town of Manchester for use as a Continuing Care Retirement Community.

Arbors of Hop Brook

Arbors of Hop Brook is a 114-unit Life Plan Retirement Community. The Community consists of a mix of studio, one-bedroom and two-bedroom units, all of which are equipped with full kitchen facilities including electric stove and oven, frost-free refrigerator, ducted exhaust hood, microwave, garbage disposals (and dishwashers in the two-bedroom units).

The residential living units are provided unfurnished and are equipped with emergency call systems, smoke detectors, sprinklers, individual thermostats, fresh-air system, exhaust-air system, and individual hot water heaters. Each unit is pre-wired for telephone service, is fully carpeted and floor covered, and equipped with window sheers. In addition, the units are handicap accessible due to such appointments as 3-foot wide doors, very large kitchens and bathrooms, lever door handles and low clearance thresholds.

The Community has extensive common areas for the benefit of the residents. These common areas include a lobby, lounge with fireplace, club room, library with fireplace, primary dining room, a private dining room with a fireplace, all-purpose room with a fireplace, art studio, general store, exercise room, activities center, wellness center, beauty salon, medical suite, transportation center and auditorium. All common areas are equipped with emergency response systems, intra-facility communications capability and other specialized equipment. The exterior common areas include courtyards, a dining terrace, walking paths, and garden areas featuring raised beds.

Arbors Staff

Arbors staff includes a Director, Director of Resident Services, Activities Coordinator, Nursing Services Coordinator, Building Services Director, Maintenance and Housekeeping staff members, Retirement Counselor, Sales Support and Administrative staff, Security Department, Director of Dining, Executive Chef, Kitchen staff, Dining Room Supervisor, and Dining Room staff. In addition, Arbors contracts with various consultant and provider groups who offer specialized services. These include medical home health services, food services and general maintenance of equipment.

Nursing Services Provided by Manchester Rehabilitation and Health Care Center

Manchester Rehabilitation and Health Care Center is a fully licensed skilled nursing facility offering a full range of nursing and rehabilitative care. Short-

term care is utilized to help individuals recover quickly from a wide variety of medical issues with the goal of restoring functionality and resuming an active lifestyle at Arbors.

The facility is designed to accommodate 126 patients in semi-private and private accommodations. The West Wing dedicates rooms for thirty-two (32) short-term rehab patients. Arbors residents are given preferential standing based on need and availability. Additional facilities and services include a rehabilitation center, arts and crafts, dining rooms, lounges, beauty/barber shop, and facility support areas.

The objective of Manchester Rehabilitation and Health Care Center is to have patients return to their normal environment in the community or at Arbors. In some circumstances, long-term care may be indicated but rest assured because Manchester Rehabilitation and Health Care Center is staffed with competent and compassionate health care professionals. The leadership team consists of an Administrator, Director and Assistant Director of Nursing Services, Medical Director and Attending Physicians who are licensed to practice medicine in the State of Connecticut. Additional care is provided by Registered Nurses, Licensed Practical Nurses, Certified Nursing Assistants, Physical Therapists, Occupational Therapists and Speech Therapists as well as Respiratory Therapy. Support staff are responsible for dining services, maintenance, housekeeping, laundry, therapeutic recreation, and social services.

BENEFITS INCLUDED

The services provided at Arbors can be categorized in the “Services and Benefits” and “Health Related Services” addendum included in this Agreement.

INTEREST ON DEPOSITS

Interest and returns earned on entrance fees or any other deposits held in escrow are retained by Arbors of Hop Brook.

TERMINATION OF AGREEMENT

It is the philosophy and intent of Arbors of Hop Brook to have residents live in the area of maximum independence. All residents are entitled to live in their own apartment as long as they can obtain all medically required services in that setting and meet the requirements of the Residency Agreement. Please refer to Section 6- Termination of Agreement of the Residency Agreement. Provisions are made in the Residency Agreement that specify how we contract would be terminated.

RIGHTS OF A SURVIVING SPOUSE

In the case of a death or permanent transfer of one of a participating Resident couple, the surviving participating party retains all rights under this Agreement including the right to reside in the same Living Unit. The first person single occupancy Monthly Service Fee will be charged for the unit.

If the surviving Resident desires to move out of Arbors, the Resident is responsible for paying the Monthly Service Fee until the Unit is vacated. The refund provisions of the Residency Agreement will be followed.

All rights and benefits specified in this contract including, but not limited to, dinner services, housekeeping and emergency monitoring will be rescinded upon death of all residents named in this agreement, as well as the use of common areas and transportation.

MARRIAGE OF RESIDENTS

If You and non-resident marry and desire to reside in the Resident's Living Unit, the non-resident party must submit a Residency Application. If accepted by Arbors, a new Residency Agreement must be signed by the couple and the difference between the double occupancy second person entrance fee and applicable double occupancy monthly service fee must be paid. The Residents and non-participating occupant will be charged the applicable first and second person Monthly Service Fees.

If two Residents with separate Living Units marry, they may either release one Living Unit and reside together in the other, or release both Living Units and move into another Living Unit.

If the Residents release one Living Unit and reside together in the other Unit, a

new Residency Agreement must be executed by the couple. A double occupancy second person entrance fee and the applicable double occupancy monthly service fee must be paid. A refund in accordance with the Entrance Fee Addendum of this agreement will be paid.

If the Residents elect to release both Living Units and move into another Living Unit, a new Residency Agreement for the new Living Unit must be executed by the couple. The current Entrance Fee for the new Living Unit will be charged. A refund in accordance with the Entrance Fee Addendum of this agreement will be paid.

In either case, the Residents will be charged the applicable first and second person Monthly Service Fees upon joint residency in the single Unit.

DISPOSITION OF PERSONAL PROPERTY

In the event of a Resident's death, permanent transfer to the Health Center or the termination of this Residency Agreement, the personal property of the Resident must be removed from his or her Living Unit within thirty (30) days of vacating the unit at the expense of the Resident or the Resident's estate. The Resident or the Resident's estate will be responsible for the Monthly Service Fee until the personal property is removed. If not removed by thirty (30) days, Arbors of Hop Brook will make arrangements for the Resident's personal property to be stored. All expenses relating to the moving and storage of the Resident's personal property will be the responsibility of the Resident's estate. Property left in storage for ninety (90) days or more may be disposed of by us at Your expense.

TAX CONSEQUENCES

Since payment of the entrance fee required under the Residency Agreement may result in significant tax consequences, Arbors of Hop Brook advises that each person consult with a qualified tax advisor prior to entering into this Agreement.

RESERVE FUNDING – ESCROWS

Under Connecticut Law, (Connecticut General Statutes Chapter 319hH Section 17b-524) Arbors of Hop Brook is required to establish an Escrow

Account for Entrance Fees with a bank or trust company. Arbors has established the required Escrow Accounts with U.S. Bank National Association of Connecticut.

Prior to occupancy, a Resident's Entrance Fee deposit and the subsequent balance of the Entrance Fee will be deposited on the Resident's behalf in the Entrance Fee Escrow Account. These funds and interest earned on these funds will be held in this Account until all statutory requirements have been met.

The Operating Reserve Escrow Fund will consist of:

(A) Six (6) months of debt service and/or lease payment obligations, and,

(B) One month's (1) estimated cost of operations excluding debt service and/or lease payments and excluding capital expenditures.

Investment decisions regarding these accounts will be made by the managing members.

CASH FLOW STATEMENTS

The income projected for Arbors at Hop Brook for the next three fiscal years is set forth in Attachment A.

FEES

Application Fee

An Application is required to be submitted by each applicant in order to enable us to evaluate an applicant's medical and financial qualifications and appropriateness for residency at Arbors. An Application Fee of \$500 is required when the Application is submitted. The Application Fee is refundable less \$100 if the application is not accepted.

Entrance Fees

Entrance Fees are based upon the type and size of the Living Unit selected and the number of persons to occupy the unit except combination units. The

balance of the Entrance Fee is payable upon execution, or Your occupancy (whichever comes first), unless otherwise stipulated in writing by Arbors. Benefits of this contract will not commence until the balance of the entrance fee is paid.

Entrance Fees are refundable subsequent to occupancy upon termination of the Residency Agreement by the Resident or by Arbors. Paragraph 6, Termination of Agreement, and the Entrance Fee Addendum, of the Residency Agreement describe the procedures for termination of the Agreement and the refunds of the Entrance Fee.

Arbors has the right to change the amount of the Entrance Fees and the degree of refund for all future Residents of Arbors.

The current Entrance Fees for 2022 are as follows:

Choices to Fit Your

Lifestyle

At Arbors of Hop Brook, we understand that our residents are unique and have their own ideas of what “home” should be. To meet diverse tastes and opinions, we offer a variety of apartment sizes, floor plan options and entrance fee choices to meet individual needs, preferences and budgets.

Apartment	Declining Balance Fee (2% per month)	50% Refundable Entrance Fee	90% Refundable Entrance Fee	Monthly Fee
Studio – Azalea (525 Sq. Ft)	\$54,500	\$84,475	\$164,726	\$2,130
1 Bedroom - Chestnut A (675 Sq. Ft)	\$70,500	\$109,275	\$213,086	\$2,469
1 Bedroom – Chestnut B (700 Sq. Ft.)	\$73,500	\$113,925	\$222,154	\$2,569
1 Bedroom – Magnolia C (750 Sq. Ft.)	\$79,500	\$123,225	\$240,289	\$2,725
2 Bedroom -2 Bath Rosewood (1,000 Sq. Ft.)	\$105,500	\$163,525	\$318,874	\$3,350
Second Person	\$12,000	\$12,000	\$12,000	\$900

Monthly Fees

The monthly fee includes heat, air conditioning, water/water disposal, one meal daily in fine dining room, biweekly housekeeping services, weekly bed linen service, home maintenance, appliance repair and replacement, cable TV with premium channels, Wi-Fi, internet, phone, trash removal, 24-hour security, lawn care/landscaping, scheduled transportation, emergency pendant, health and wellness program, social and cultural events, entertainment, craft classes and more.

860-533-2524 | www.ArborsCT.com

ARBORS OF HOPBROOK
Life Plan Retirement Community
CONCIERGE PRICE LIST

Resident's Name _____ Date Service Begins _____

*
• = Flat Rate Charges * = \$12.50 Per 15 Minute Unit

DESCRIPTION OF SERVICES	Qty.	Amount	DESCRIPTION OF SERVICES	# Units	Amount
HOSPITALITY			HANDYMAN SERVICES (See Front Desk for Scheduling)		
▪ Hospitality Suite @ \$100.00/Night			* Picture Hanging		
▪ Cot @ \$5.00/Night or \$25/Week			* Furniture Assembly / Moving		
DINING			* TV / Electronics Set Up		
▪ Lunch or Dinner			* Shampoo Apartment Carpet		
Adult / Main Meal \$16.00 Includes Tax			* Emergency Car Service (gas, emergency jump+ expenses)		
Adult / Second Meal \$8.00 Includes Tax			CONCIERGE SERVICES		
▪ Breakfast \$6.00 Includes Tax			* Holiday Decorating		
▪ Child's Meal 5-12 yrs: \$8.50 Includes Tax			* Letter Writing		
▪ Special Event / Holiday Meal: \$ _____ Incl. Tax			* IT Support		
▪ Catering:			* Personal Typing		
_____			* Plant Care Services		
▪ Store & More			* cat Care - Feed and Scoop Cat Box		
▪ Other: _____			BEAUTY SALON SERVICES		
SCHEDULED TRANSPORTATION			* Service		
▪ Towns Surrounding Manchester \$3.00/Trip (Bolton, Vernon, South Windsor, East Hartford)			● TOTAL LEFT COLUMN \$		
▪ Beyond Surrounding Towns in CT \$5.00/Trip					
▪ Transportation Out-Of-State \$10.00/Trip			* TOTAL RIGHT COLUMN \$		
▪ Transportation for Guests In-State \$5.00					
▪ Transportation for Guests Out-Of-State \$10.00			●* GRANO TOTAL \$		
▪ Excursion Non-Cancellation Charge \$5.00					
FURNITURE RENTAL (Includes 15min. set up/take down)			* = Legend for 15 Minute Units		
▪ Card Table \$5.00			UNIT	TIME	\$ AMOUNT
▪ 3 Foot Table \$5.00			1	15 Minutes	\$ 12.50
▪ Chair \$2.00/Chair (gray or black)			2	30 Minutes	\$ 25.00
▪ Table Cloth \$3.00			3	45 Minutes	\$ 37.50
▪ Napkin \$.50 ea.			4	1 Hour	\$ 50.00
HOUSEKEEPING (Additional Apt. Cleaning)			Resident's Signature: _____		
▪ One Bedroom A & B \$50.00			Staff Name: _____		
▪ One Bedroom C \$60.00			COMMENTS: _____ _____ _____ _____ _____		
▪ Two Bedroom \$70.00					
▪ Additional Linen Charge \$15.00/Bed					
▪ Laundry \$30.00/Load					
MISCELLANEOUS					
▪ Package Wrapping & Mailing \$5.00/Package (Resident provides materials)					
▪ Notary Service \$3.00/Document					
▪ Biohazard Material Remediation \$25.00/ 1/2Hr					
▪ Urgent Personal Services \$200/ 1/2 Hr					
▪ Purchasing Personal Items - Cost Plus 20%					
▪ Transfer to New Apt. \$3,000 Renovation Charge					
▪ Fax \$.25/pg. B&W Copy \$.25/pg. Color Copy \$.50/pg.					
▪ Other: _____					

WHITE-ResidentCopy CANARY-Bus.OfficeCopy PINK-InternalFileCopy

Arbors CPL Form-1M-Rev. 09/21

Monthly Service Fee

The Monthly Service Fee is determined by us based upon our estimate of the cost of providing the services and maintaining the facilities as promised in this agreement.

Changes in Monthly Service Fees

The Monthly Fees are intended to be used by us to fund all on-going costs of operating the Community, including capital replacement costs. The Monthly Fee will be adjusted annually to reflect changes in operating costs, inflation during the coming year and the need to maintain working capital, among other items. Changes will be announced in writing to all residents pursuant to this Agreement by February 1. The new Monthly Service Fee will be in effect for the twelve-month (12) period March 1 - February 28 (29).

Payment of Monthly Service Fees

The Monthly Service Fees will be billed in advance on the first of the month. All payments received after the 10th of the month will be assessed a late fee on the eleventh (11th) day of the month and will accrue interest at a rate set on February 1 each year and which will not exceed the State of Connecticut's laws on usury.

DEPARTMENT OF SOCIAL SERVICES - FILINGS

- (A) All materials required to be filed with the Department of Social Services of the State of Connecticut are on file with the Department of Social Services.
- (B) The materials on file include all the information required by Connecticut General Statutes Chapter 319hH Section 17b-522. The Residency Agreement is an exhibit to this disclosure statement.
- (C) All material may be reviewed at:

Connecticut Department of Social Services
Elderly Services Division
55 Farmington Avenue
Hartford, CT 06105

Attachment A

Arbors of Hop Brook ALF Operations LLC			
Projected Cash Flows			
	BUDGET 2023	BUDGET 2024	BUDGET 2025
Net income (loss)	\$ 1,400,000.00	\$ 1,500,000.00	\$ 1,600,000.00
<i>Cash flows from Operating activities</i>			
Depreciation and amortization	\$ 100,000.00	\$ 120,000.00	\$ 150,000.00
Earned entrance fee (income) expense	\$ (350,000.00)	\$ (350,000.00)	\$ (350,000.00)
Net realized (gains) losses on investment securities	\$ -	\$ -	-
Changes in:	-	-	-
Accounts receivable	\$ (50,000.00)	\$ (70,000.00)	\$ (80,000.00)
Entrance fee receivable	-	-	-
Prepaid expenses	\$ (978.00)	\$ (2,000.00)	\$ (4,000.00)
Loans payable - affiliates	-	-	-
Accounts payable	\$ 41,298.00	\$ 100,000.00	\$ 100,000.00
Other current liabilities	\$ 100,920.00	\$ 150,006.00	\$ 130,700.00
Net cash provided by operating activities	\$ 1,241,240.00	\$ 1,448,006.00	\$ 1,546,700.00
<i>Cash flows from investing activities:</i>			
Restricted funds	\$ -	\$ -	\$ -
Purchase of property and equipment	\$ (150,000.00)	\$ (200,000.00)	\$ (200,000.00)
Net (purchases) sales of investments	\$ -	\$ -	\$ -
Net cash used in investing activities	\$ (150,000.00)	\$ (200,000.00)	\$ (200,000.00)
<i>Cash flows provided by financing activities:</i>			
Capital contributions	-	-	-
Capital distributions	\$ (15,000.00)	\$ (200,000.00)	\$ (500,000.00)
Proceeds from resident entrance fees	\$ 900,000.00	\$ 930,000.00	\$ 920,000.00
Refunds of resident entrance fees	\$ (702,714.00)	\$ (650,000.00)	\$ (750,000.00)
Payments on capital lease obligations	-	-	-
Proceeds (payments) on long-term debt	\$ -	\$ -	\$ -
Net cash used in financing activities	\$ 182,286.00	\$ 80,000.00	\$ (330,000.00)
Net increase (decrease) in cash and cash equivalents	\$ 1,273,526.00	\$ 1,328,006.00	\$ 1,016,700.00
Cash and cash equivalents, beginning of year	\$ 400,000.00	\$ 1,673,526.00	\$ 3,001,532.00
Cash and cash equivalents, ending of year	\$ 1,673,526.00	\$ 3,001,532.00	\$ 4,018,232.00

GLOSSARY OF TERMS

The following terms are described as used in the accompanying Agreement. Reference to the Agreement and the context in which the terms are used is recommended to provide a fuller understanding of each of the terms:

"Arbors of Hop Brook" or "Arbors" or "we" or "us" or "Our" means Arbors of Hop Brook ALF Operations LLC d/b/a Arbors of Hop Brook.

"Community" means the facilities known as Arbors of Hop Brook and/or Manchester Rehabilitation and Health Care Center including the living units, the common spaces and exterior grounds.

"Entrance Fees" means the amount to be paid to Arbors in return for life use of a specific Living Unit and services offered by Arbors. See the Entrance Fee Addendum for terms of Entrance Fee requirements.

"Health Center" means Manchester Rehabilitation and Health Care Center or another comparably licensed Nursing Facility.

"Living Unit" or "Unit" means an apartment within Arbors.

"Monthly Service Fee" means the charge paid by the Resident, monthly, pursuant to the Agreement.

"Occupancy Date" means the date You take occupancy, unless otherwise extended by Arbors.

"Refund" is the portion of the Entrance Fee which is refundable pursuant to the Agreement. See the Entrance Fee Addendum for terms of Entrance Fee refund.

"Reoccupancy" means the event of a new Resident occupying a Living Unit previously occupied by a previous Resident.

"Residency Agreement" or "Agreement" or "Continuing Care Agreement" means this Agreement.

"Resident" or "You" means the Resident (or Residents in case of couples) who is (are) signatory to the Agreement receiving use of the Living unit, Basic Services and Health-Related Services.

"Second Person Monthly Service Fee" or "Second Person Fee" is the monthly charge for a second Resident occupying an apartment unit.

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Glossary of Terms

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Fee Schedule

Entrance Fee Addendum Declining Balance Agreement

Entrance Fee Addendum 50% Refundable Agreement

Entrance Fee Addendum 90% Refundable Agreement



Arbors
OF HOP BROOK

Resident Name(s):

Refund Type
Unit Number:

Type:

Date Executed

1. CONTINUING CARE AGREEMENT - 2022

1.1 Introduction Resident has made application to Arbors of Hop Brook, a Continuing Care Retirement Community under the provisions of Connecticut General Statutes Section 17b-520 through 17b-535. Upon the granting of this application, the Resident will enjoy a contractual right to reside in a Living Unit at Arbors together with certain health-related benefits and other services as set forth in this Agreement. The Resident also has the obligation to pay an Entrance Fee in accordance with the Entrance Fee Addendum in this Agreement, in addition to a Monthly Service Fee. These rights and obligations for Arbors of Hop Brook are set forth in this Agreement.

1.2 Parties This Agreement is made and entered into by and between (Name of Resident) _____ (collectively, the "Resident" "You" or "Your"), and Arbors of Hop Brook ALF Operations LLC ("Arbors").

You, having made application to establish residency and upon acceptance of the application by Arbors, agree to comply with the policies and procedures of Arbors and, further, understands that such residency shall be subject to the terms and conditions set forth in this Agreement.

1.3 Documents You acknowledge receipt of a copy of the Confidential Application, Confidential Disclosure Form, Medical Evaluation, and Disclosure Statement, which are each, by this reference, made a part of this Agreement. An application fee of \$500.00 has been paid to process this application. Any change in Your physical or mental health, or financial condition prior to residency is to be immediately disclosed to Arbors by You.

1.4 Entrance Fee Please see the Entrance Fee Addendum for details of Your Entrance Fee payment and refunds.

1.5 Payment of Entrance Fee and First Monthly Service Fee Payment of the Entrance Fee is payable upon execution of this agreement. This payment must be made by the date You take occupancy, unless otherwise stipulated in writing by Arbors. Residency is established when You have completed payment of the Entrance Fee and first Monthly Service Fee.

1.6 Payment of Monthly Fee From date of residency, You agree to pay the Monthly Service Fee applicable for the Living Unit. The total Monthly Service Fee will be billed by Arbors monthly.

The Monthly Service Fee for Living Unit # is:

First Person Monthly Service Fee is \$

Second Person Monthly Service Fee is \$

Total Monthly Service Fee \$

2. ADMISSION PROCEDURE

2.1 General You agree to submit an application which will allow Arbors to determine the appropriateness of admission to Arbors. You must be in reasonably good health, must successfully complete our comprehensive, pre-admission program, and must possess the means to pay the required Entrance Fee as well as the Monthly Service Fee. Specifically, You must satisfy the following criteria:

2.1.1 Age You must be at least 62 years of age. In case of a couple, the second person must be at least 50 years of age.

2.1.2 Health You must be in reasonably good health and able to live independently without the need of personal assistance in the Living Unit.

2.1.3 Medical Evaluation You agree to complete the Request for Medical Records form no later than thirty (30) days prior to occupancy and provide Your permission to us, for obtaining medical records from Your doctors.

2.1.4 Personal Interview You agree to have a standardized assessment at Arbors conducted by Arbors' professional staff. The information obtained in this assessment, along with Your physician's report, will assist in determining Your eligibility for residency at Arbors. The assessment must be performed within 60 days prior to Your move-in date. In the event that the assessment is performed more than 60 days prior to Your move-in, a reassessment will be necessary.

2.2 Financial Criteria for Residency

2.2.1 Entrance Fee You must have financial assets adequate to pay the contracted Entrance fee, plus an amount sufficient to provide for Your personal financial requirements after residency.

2.2.2 Monthly Service Fee You must have sufficient income to meet the anticipated Monthly Service Fee and other personal expenses not provided under the Residency Agreement.

2.2.3 Confidential Application A Confidential Application and Confidential Disclosure Form must be completed.

2.2.4 Health Insurance You must have and maintain coverage (if age eligible) pursuant to:

- Medicare Part A (hospital coverage),
- Medicare Part B (physician coverage),
- Medicare Part D or other prescription benefit plan,
- Supplemental "Medigap" Insurance with Nursing Home Benefit; or,
- Medicare HMO Insurance with Nursing Home Benefit;

If You are not Medicare eligible, or if insurance is with a Medicare alternative, e.g., an HMO or other managed care organization, then the alternative insurance must be approved by Arbors. Arbors may request verification of the above insurance coverage at any time.

2.2.5 Other Insurance You will be required to purchase liability insurance for Your Unit with a minimum of \$300,000 of liability coverage to cover any damage to Your Unit or the Building that is caused by You. You may also purchase at Your discretion additional amounts of coverage to cover damage to Your own personal property located within the Unit. A certificate of insurance must be provided to Arbors prior to occupancy and upon request.

3. LIVING UNIT

3.1 Unit

3.1.1 Unit Selection You will select an unfurnished Living Unit as indicated in Paragraph 1., Basic Agreement, of this Agreement.

3.1.2 Use of Living Unit The Living Unit is for living only and shall not be used for carrying on any business or profession, nor in any manner shall Resident's use violate zoning restrictions.

3.1.3 Unit Alterations You may request physical alterations to the Living Unit prior to or subsequent to occupancy. Arbors will review the request and approve or deny such request in writing. If approved, Arbors has the responsibility of supervising and contracting all the work to be performed. The cost of such alterations will be Your responsibility and are not refundable by Arbors. You will be responsible for restoring the unit, or paying an allowance for future restoration of the unit to Arbors' unit specifications. Restorations and/or allowances will be managed and determined by Arbors at the time of the proposed unit alterations, agreed to in writing by You and withheld from the entrance fee refund.

3.1.4 Compliance Changes Arbors may make changes or modifications to Your Unit or the common areas to satisfy the requirements of the Law. If necessary, You will agree to temporarily relocate to other facilities provided by us, without additional cost to You, if it becomes necessary to vacate Your Unit.

3.2 Occupancy Date

3.2.1 Not Used

3.2.2 Occupancy Date The "Occupancy Date" will be the date You take occupancy, unless otherwise extended by Arbors.

3.3 Resident's Right to Stay in the Living Unit

You acknowledge and agree that Your Apartment is appropriate for occupancy by persons who can live independently with or without assistance from an assisted living service agency, home health agency or other qualified provider, if necessary, but that Your Apartment is not appropriate for occupancy by persons who need 24-hour skilled nursing care or whose physical, mental or psychological condition otherwise results in their inability to live appropriately in a residential setting.

Examples of inappropriateness include, but are not limited to situations where:

- You do not meet the requirement for residency established by state law and/or the Assisted Living Regulations
- You present an immediate physical threat or danger to yourself or others
- You have active communicable tuberculosis or another similar communicable disease
- You require 24-hour skilled nursing care
- You have a primary need for care and supervision that results from dementia or mental disorder resulting in ongoing behavior which would distress the general Resident group, would require a greater amount of care and supervision than other residents at the Community
- You are bedridden
- You refuse to accept services required in order for Arbors to meet Your needs
- You have health care needs that cannot be met at the Community for reasons such as licensure, design or staffing
- Your personal physician has determined that You require services not available at the Community
- If Your condition changes so that You are considered a wandering risk or if You are unable to respond to verbal instructions in an emergency

You agree that You will vacate Your apartment upon thirty (30) days' notice, or lesser notice if an emergency exists, if it is determined by Arbors at Our sole discretion that Your physical, mental or psychological condition is no longer appropriate for continued residence.

If at any time Arbors determines at Our sole discretion that a change in Your physical, mental, or psychological condition requires You to have nursing, personal care, or companion assistance beyond that which Arbors provides, You agree that Arbors may obtain such care or assistance at Your expense until other appropriate ongoing arrangements can be made.

If You are considered a wandering risk, Arbors may move You immediately to another Unit or location for Your safety until ongoing arrangements for Your care in an appropriate environment can be made.

3.4 Vacating the Unit In the event of a Your death, permanent transfer to the health center or another location, or the termination of this Residency Agreement, Your personal property must be removed from the Living Unit within thirty (30) days of vacating the unit at the expense of You or Your estate. You or Your estate will be responsible for the Monthly Service Fee until the personal property is removed and keys are returned. If not removed by thirty (30) days, Arbors will make arrangements for Your personal property to be stored. All expenses relating to the move and storage of Your personal property will be the responsibility of Your Estate. Property left in storage for ninety (90) days or more may be disposed of by Arbors at Your expense. Any damage not consistent with normal wear and tear including, but not limited to pet and/or water damage will be the responsibility of the vacating party. Cost(s) incurred will be deducted from the Entrance Fee Refund.

4. SERVICES

4.1 Prior to Occupancy Arbors agrees to assist You in planning for Your move to Arbors.

4.2 After Occupancy Services and facilities are included in the Monthly Service Fee as described in the “Services & Benefits” Addendum.

4.3 - 4.8 Not Used

4.9 Health Services Provided by Arbors Refer to the “Health Care Benefits” Addendum in this Agreement.

5. FEES

5.1 Entrance Fees You agree to pay an Entrance Fee as indicated in Paragraph 1, Basic Agreement, of this Agreement. Arbors will refund Your Entrance Fee in accordance with the Entrance Fee Addendum of this Agreement.

5.1.1 Changes in Entrance Fees Arbors has the right to change the amount of Entrance Fees and the degree of refundability for all future residents of Arbors.

5.2 Not Used

5.3 Monthly Service Fee The Monthly Service Fee is determined by Arbors based upon our estimate of the cost of providing the services and maintaining the facilities as promised in this Agreement.

5.3.1 Changes in Monthly Service Fees The Monthly Service Fees are intended to be used by us to fund all on-going costs of operating the Community, including capital replacement costs. The Monthly Fee will be adjusted annually to reflect changes in operating costs, inflation during the coming year and the need to maintain working capital, among other items. Changes will be announced in writing to all residents pursuant to this Agreement by February 1. The new Monthly Service Fee will be in effect for the twelve-month (12) period March 1 - February 28 (29). Historical pricing is listed in the Financial Disclosure section of this Agreement.

5.3.2 Payment of Monthly Service Fees The Monthly Service Fees will be billed in advance on the first of the month. All payments received after the 10th of the month will be assessed a late fee on the eleventh (11th) day of the month and will accrue interest at a rate set on February 1 each year and which will not exceed the State of Connecticut's laws on usury.

5.4 Not Used

6. TERMINATION OF AGREEMENT

6.1 Termination by You You may terminate this Agreement based upon the following terms:

6.1.1 Prior to Occupancy, Within Thirty (30) Days After executing this Agreement, You may cancel this Agreement for any reason within thirty (30) days. Arbors must receive written notice of cancellation by registered or certified mail within this thirty (30) day period. You will be entitled to a full refund of all deposits paid excluding the Application Fee. No interest on deposits will be paid. No Resident shall be required to move into the facility until after the expiration of the thirty (30) day rescission period.

6.1.2 Prior to Occupancy, Beyond Thirty (30) Days, Due to Death, Injury, Illness or Incapacity You may cancel this Agreement due to death, or on account of illness, injury, or incapacity preventing You from occupying Your Living Unit under the terms of this Agreement. Cancellation under this provision is effective upon our receipt of written notice of cancellation by registered or certified mail. You or Your legal representative shall receive a refund of all deposits less (a) costs specifically incurred by Arbors at Your request, or for Your benefit, as described in the contract, including but not limited to medical evaluations, insurance, administrative costs, unit modifications, etc., and, (b) the Application Fee. No Interest on the refunded deposits will be paid.

In the case of a couple, the Residency Agreement shall be cancelled for the deceased or incapacitated person and the remaining Resident may cancel at his/her option without additional cost.

6.1.3 Prior to Occupancy, Beyond Thirty (30) Days, for Any Other Reason Should You provide written notice of cancellation of this Agreement by registered or certified mail prior to residency for any other reason, Arbors of Hop Brook shall refund to You the deposit less those costs specifically incurred by Arbors at Your request or for Your benefit, (including the Application Fee) as described in the contract, and a service charge of \$3,000. No interest on the deposits will be paid.

6.1.4 Subsequent to Occupancy, Rights of a Couple If the Resident who executes this Agreement, is a couple, should one of You terminate the Agreement for any reason, then the remaining Resident shall have the right to continue to occupy Your Living Unit under the terms of this Agreement.

6.1.5 Subsequent to Occupancy, Due to Death In the event that this Agreement is terminated due to the death of the Resident (both of You if You are a couple), Your designated beneficiary (or estate if no beneficiary assigned) will receive a refund in accordance with the Entrance Fee Addendum of this Agreement, less any unpaid expenses incurred by You, pursuant to the "Entrance Fee Addendum", of this Agreement. In the event of the death of one of You, the other Resident assuming the surviving Occupant can live independently, may continue to reside in the Living Unit by paying the single occupancy Monthly Service Fee. The surviving Occupant may terminate this Agreement within one hundred and twenty (120) days of the death of a spouse, in which event Arbors will refund the Entrance Fee in accordance with the Entrance Fee Addendum of this Agreement. All rights and benefits specified in this contract including but not limited to, dinner services, housekeeping, the use of the common areas and transportation and emergency monitoring will be rescinded upon Your death.

6.1.6 Subsequent to Occupancy, For Any Other Reason If You (both if You are a couple) terminate this Agreement for any reason other than death, termination shall be evidenced in writing, signed by You (both if You are a couple) and delivered to Arbors by registered or certified mail at least one hundred and twenty (120) days prior to the termination date. You will be required to pay the Monthly Service Fee for Your Unit until the termination date. In the event that a new Resident occupies Your Unit prior to the termination date, You will not be charged the Monthly Service Fee for the days of overlap. Arbors will refund the Entrance Fee in accordance with the Entrance Fee Addendum of this agreement.

If only one of You is terminating this Agreement, then the remaining Resident will be allowed to reside in the Living Unit. The single occupancy Monthly Service Fee will be charged to the remaining Resident. There will be no refund of any of the Entrance Fee at this time.

6.2 Termination by Arbors Arbors may terminate this Agreement for any cause which, in its judgment, is in the best interest of the Residents or Arbors, including, but not limited to:

6.2.1 Inability, in our sole judgment, of You to live independently in the Living Unit, prior to occupancy;

6.2.2 An adverse change in Your financial condition, prior to or after occupancy, except as provided for in Paragraph 7, Limitation on Termination Rights for Financial Inability;

6.2.3 Material misstatement or omission of fact in the Confidential Application, Confidential Disclosure Form, or Medical Evaluation;

6.2.4 Your failure or refusal to fulfill any of Your obligations and promises as set forth in this Agreement, including but not limited to Your failure to comply with Our rules, or if continued occupancy by You becomes inappropriate under Section 3.3, Resident's Right to Stay in the Living Unit of this Agreement, or if Your continued residence poses a threat to the health, safety, or welfare of other residents.

6.2.5 Gifts or other transfers of assets which jeopardize Your financial obligations under this Agreement;

6.2.6 Except as set forth below, the failure to pay the Monthly Service Fee or other charges as required by this Agreement. If the Residency Agreement is canceled due to the failure to pay the Monthly Service Fee or other charges associated with living at Arbors, then the refundable portion of the Entrance Fee will be reduced by any of Your outstanding obligations;

6.2.7 If You should become infected with a dangerous and/or contagious disease or become mentally or emotionally disturbed, and Arbors determines that Your condition is detrimental to the health, safety, or welfare of others and Your condition cannot be cared for at Manchester Rehabilitation and Health Care Center (Manchester Manor).

6.2.8 If You refuse medical treatment, which in the opinion of Your physician or Arbors is medically required for Your health or the health or safety of others;

6.2.9 In the event of termination under this section, You will be responsible for the Monthly Service Fee until the Living Unit is vacated;

6.2.10 In the event of termination under this section, the final termination decision will be made by Arbors upon the advice of the Management Committee (The Management Committee is composed of the Managing Partner, one other Partner, and the CCRC's Director). This notice of termination will be served to You in writing by certified mail.

In the event of termination by Arbors, You may file a formal appeal aggrieving such action. Such an appeal must be filed in writing, with the Director of Arbors, within five (5) days of receipt of the notice of termination. Upon receipt of an appeal, the Director will convene a committee including two (2) members of the Arbors' senior management staff to consider the grievance. The Director will report the committee's findings to the Managing Partner. The Managing Partner's decision on the appeal will be final.

7. LIMITATION ON TERMINATION RIGHTS FOR FINANCIAL INABILITY

7.1 Prepayment of Refundable Entrance Fee (not applicable for Declining Balance Plans) If You experience financial difficulties which are beyond Your control, and not due to gifts or other transfers of assets, Arbors will allow You to maintain residence within the Community and enjoy all the rights pursuant to this Agreement. To the extent You are unable to pay, Your Monthly Service Fee or per diem rate in the Health Center, if applicable, will be deducted from Your Refundable Entrance Fee by Us, for as long as You establish the facts to justify prepayment, and Arbors believes deferral will not adversely affect our ability to meet the obligations to operate on a sound financial basis.

7.2 Cost Above Prepayment of Refundable Entrance Fee In the event the prepayment exceeds the refundable portion of the Refundable Entrance Fee, You (or Your estate) will remain liable for the excess amount. If termination is due to death, this paragraph will apply whether or not You are in residence at Arbors at the time of death.

8. REFUNDS OF ENTRANCE FEE

8.1 Termination of Residency Any refund due to the resident will be delivered to the resident or the resident's estate not later than three years from the date the contract is terminated or when conditions for releasing the refund have been met, whichever occurs first.

9. HEALTH CENTER TRANSFER

9.1 Transfer to the Health Center You will continue to pay Your Monthly Service Fee and any other charges incurred at Arbors until You release the Unit. You may release the Unit by providing written notice to Us indicating your decision to permanently release the Unit. You must vacate the Unit per Section 3.4, Vacating the Unit in this Agreement. Upon vacating the unit, the Monthly Service Fee will be suspended and the resident will be responsible for the Daily Health Center Fee.

9.1.1. Not Used

9.1.2. Not Used

9.1.3. Not Used

9.1.4. Releasing Your Unit, in Case of Couples In the case of permanent transfer of one of a participating Resident couple, the surviving participating party retains all rights under this Agreement including the right to reside in the same Living Unit. The first person single occupancy Monthly Service Fee will be charged for the unit upon Our written notice of Your intent of permanent transfer of one of You.

10. SPECIAL OCCUPANCY

10.1 Separation or Divorce of a Resident Couple If, after becoming residents, the joint Residents become separated or divorced:

(a) In the event each party desires a separate living unit and one remains in the Living Unit, no refund is given and a new Residency Application must be submitted for Arbors' approval for the second Living Unit if available. If approved, a Residency Agreement must be signed and a Entrance Fee paid for the second Living Unit. The first person Monthly Service Fee will be charged for each Living Unit.

(b) In the event one party desires to terminate residency, the remaining party retains full rights as a Resident. The first person Monthly Service Fee will be charged, but there is no refund of the Entrance Fee to either party.

(c) In the event both parties desire to cancel the Residency Agreement, the refund provisions of the Entrance Fee Addendum of this Agreement apply.

10.2 Marriage of Residents and Non-Residents

(a) If You and a non-resident marry and desire to reside in the Resident's Living Unit, the non-resident party must submit a Residency Application. If accepted by Arbors, a new Residency Agreement must be signed by the couple and the difference between the double occupancy second person entrance fee and applicable double occupancy monthly service fee must be paid. The Residents and non-participating occupant will be charged the applicable first and second person Monthly Service Fees.

(b) If two Residents with separate Living Units marry, they may either release one Living Unit and reside together in the other, or release both Living Units and move into another Living Unit.

(c) If the Residents release one Living Unit and reside together in the other Unit, a new Residency Agreement must be executed by the couple. A double occupancy second person entrance fee and the applicable double occupancy monthly service fee must be paid. A refund in accordance with the Entrance Fee Addendum of this agreement will be paid.

(d) If the Residents elect to release both Living Units and move into another Living Unit, a new Residency Agreement for the new Living Unit must be executed by the couple. The current Entrance Fee for the new Living Unit will be charged. A refund in accordance with the Entrance Fee Addendum of this agreement will be paid.

In either case, You will be charged the applicable first and second person Monthly Service Fees upon joint residency in the single Unit.

10.3 Joint Residency - Unrelated Persons When two unrelated persons intend to live in one Living Unit, the following conditions will apply:

(a) Evidence of prior long-term compatibility of the Residents must be demonstrated to Arbors,

(b) Each person desiring to live in a Unit shall apply for residency and if accepted sign a Residency Agreement,

(c) Cancellation rights and surviving Resident rights are the same as outlined in this Agreement.

10.4 Not Used

10.5 Transfer to a Different Living Unit If You elect to transfer to another Unit, You will be charged a refurbishment fee at the time of the move to cover the cost of renovating and preparing the vacated Unit for new occupancy.

(a) Larger or Same Size Unit If You desire to move to a comparable Unit or larger, the new Entrance Fee will be based on the difference between the Entrance Fee refund amount for your current Unit (if any) and the new Entrance Fee, amortized by the same percentage as that of the Entrance Fee for your current Unit, at your time of transfer. You will be required to pay the difference between the Entrance Fees at the time of your transfer. In order to upgrade residences, you must satisfy the financial criteria set forth by Arbors.

(b) Smaller Unit If You desire to move to a smaller Unit than your existing Unit, the new Entrance Fee will be based on the difference between the Entrance Fee refund amount for your current Unit (if any) and the current Entrance Fee for the new Unit, prorated by the same percentage as that of the Entrance Fee refund to which you are entitled for your current Unit. Any refunds to You will be issued as a credit to Your Monthly Service Fee over a twelve (12) month period.

(c) Transfer Charge You will be charged a transfer charge to cover the cost of painting and cleaning the vacated unit. Any moving expenses will be Your responsibility.

11. OTHER PROVISIONS

11.1 Absence from the Community You must inform the Front Desk if you will not be staying in your apartment overnight.

11.2 Residents' Association A Residents' Association is established for the benefit of all residents of Arbors. The purpose of the Association will be to foster communication between the residents and Arbors, to promote an understanding of the nature of life at Arbors, and to facilitate the participation of the residents in the development of the Community's policies, procedures and activities. The Association will elect its own officers according to an established set of by-laws. The Association will work in cooperation with Arbors to establish rules and regulations for the purpose of maintaining and improving the services and quality of life at Arbors.

11.3 Gratuities No individual gratuities are allowed. Employees who accept them will be subject to discharge. Residents may wish to establish an employee appreciation fund to be paid to employees on a basis determined by the Residents and Arbors.

11.4 Pets Pets will be allowed in designated areas of the Community upon approval by Arbors. Dogs are allowed on first and second floors only. Pets are not permitted to linger in common areas (lobby, hallways). Pets should only be

transported via elevator when the elevator is not in use by another resident. Visitors are asked to use the stairwells when transporting their pets. If Arbors determines that the pet is not suitable, for any reason at any time, then permission to keep the pet will be denied or revoked. Pets must be routinely inoculated and registered. You shall be responsible for keeping the pet clean, healthy, obedient and properly restrained at all times, and for cleaning up after the pet. You shall make arrangements for the care of the pet in the event of Your death or disability. You shall notify Arbors of such arrangements. Generally pets should be no larger than 20 pounds. A deposit for pet-related damages may be required upon move in.

11.5 Guests and Visitors Guests and visitors are welcome at Arbors. Overnight guests may stay in Your Living Unit for a period of up to four (4) weeks cumulatively. If the stay of the same guest exceeds four (4) weeks cumulatively, then written approval must be obtained from Arbors and the applicable fees may be billed to the Resident for all days beyond four (4) weeks.

11.6 Reserve Policy It will be the policy of Arbors to maintain reserve funds as required by Connecticut law and any others that Arbors believes are consistent with sound financial management.

11.7 Smoking Policy Smoking is not permitted anywhere on the premises (premises include the Arbors and Manchester Manor building and the exterior grounds determined by the property boundaries). All areas of the building are smoke-free, with the exception of residents occupying their apartments prior to November 19, 2009. Any damage caused by smoking, including but not limited to: discoloration of walls, ceilings, carpets, cabinetry and window dressings or carpet burns or contamination of heating venting and air conditioning systems or the creation of a pervasive malodorous environment will be considered non-ordinary wear and tear.

11.8 Photograph and Video Release From time to time, We may wish to take Community photographs/footage which include You or other residents. Your image may be used, exhibited, or published in general media. You waive any right to royalties or other compensation arising or related to the use of Your image or recording.

12. MISCELLANEOUS LEGAL PROVISIONS

12.1 Tax Consequences Since execution of this Agreement may result in significant tax consequences, Arbors advises that each person consult with his/her tax advisor prior to Entering into this Agreement.

12.2 Governing Law This agreement will be interpreted according to the laws of the State of Connecticut.

12.3 Indemnity Arbors shall not be liable for, and You agree to indemnify, defend and hold Arbors harmless from claims, damages, and expenses, including attorney's fees and court costs resulting from any injury or death to persons and any damages to property caused by, resulting from, attributable to or in any way connected with Our negligent or intentional act or omission.

12.4 Subordination Except to the extent prohibited by law, all rights under this Agreement are subordinate to first mortgage loans or other long-term financing secured by liens. Upon request, You agree to execute and deliver any documents requested by Arbors evidencing such subordination.

12.5 Agreement Not a Lease This Agreement is not a lease and does not transfer or grant to You any interest in real property. The rights and benefits under this Agreement are not assignable and will not inure to the use or benefit of the heirs, legatees, assignees, or representatives of the Resident. This Agreement grants You a revocable license to occupy and use space in Arbors of Hop Brook.

12.6 Appointment of Conservator If You are unable to continue to care for himself or herself or his or her property, and has made no designation of a conservator or trustee, Arbors is authorized to institute proceedings for appointment of a person or entity to serve as conservator for You. You or Your estate will be responsible for any costs associated with the appointment.

12.7 Change in Law If changes are made in any of the laws, statutes or regulations applicable to this Agreement, then Arbors shall have the right to amend this Agreement to conform to such changes or may terminate this Agreement.

12.8 Separability The invalidity of any restriction, condition, or provision of this Agreement, shall not impair or affect in any way the validity or enforceability of the rest of this Agreement.

12.9 Ownership Transfers Arbors may issue additional interests in the Community, or Arbors may sell the Community, provided that any future buyer accept all the current contracts.

12.10 Residents If this Agreement has been signed by more than one person, it is understood that all responsibilities and obligations under this contract are joint and several, except as the specific context may otherwise require.

12.11 Resident's Representations You have executed this Agreement representing and warranting that You possess the ability to live independently (without the assistance of another person), free of any contagious and/or communicable disease, have assets and income which are sufficient to satisfy the obligations of this Agreement and after payment of these obligations can satisfy Your customary living expenses after occupancy, and that all Your representations or those made on Your behalf are true.

12.12 Confirmation of Receipt of Documents and Inspection of the Community You certify that You have received a copy of this Agreement, a copy of the latest disclosure statement and physically inspected the Community on or before this date. Further, these materials or inspections have been reviewed by You or Your representatives to satisfy You as to their truth and validity prior to signing this Agreement.

12.13 Notices All notices given pursuant to this Agreement shall be in writing and shall be mailed by certified mail, postage prepaid and shall be deemed given on the date mailed. The addresses to which any such notice shall be sent are as set forth here, unless a different address is specified in writing by either party:

To: Director
Arbors
403 West Center Street
Manchester, CT 06040-4738

To: Resident
Address listed on Application for Residency

13. SERVICES & BENEFITS ADDENDUM

13.1 Services and facilities within the Unit

- Complete kitchen facilities including refrigerator with frost-free freezer, electric range with oven, microwave, garbage disposal, hood range, oak cabinets, and ground fault outlets at counter height
- Weekly bedroom linen (excluding towels) and changing service
- Biweekly (every two weeks) housekeeping services
- Heat and air-conditioning
- Individually controlled heat or air-conditioning thermostat
- Hot water heater
- Cable Television
- Telephone
- Wi-Fi., Internet
- Washer/Dryer Hook-up (Two Bedroom Units)
- Repair and maintenance of all Unit appliances and systems
- Real estate property taxes
- General liability and casualty insurance (excluding Resident's personal property and liability insurance)
- Water, sewer, sewer fees and trash removal
- Centrally monitored smoke detectors
- Emergency call-for-aid system
- Emergency Pendant
- Sprinkler
- Forced fresh air (from outside)
- Bathroom fan exhaust (to outside)
- Wall-to-wall carpeting
- Sheer draperies
- Electronic courtesy check-in
- Postal box (lobby)
- Emergency generator supplying heat, air-conditioning and foyer light

13.2 Additional Services Requiring Additional Charges

Additional services to You on an extra charge basis include:

- Living Unit electricity (excluding air-conditioning and heat)
- Beautician, barber services, manicurist
- Guest room (hospitality suite), if and when available
- Guest meals

- ❑ Housekeeper services in addition to the normal bi-weekly (every other week) service provided under the Residency Agreement
- ❑ Personal care services and assisted living services
- ❑ Private-room accommodations in Health Center, if available
- ❑ Co-payment charges/gaps in coverage not covered by insurance
- ❑ Onsite Physicians visit/services
- ❑ Special activity event charges
- ❑ Catering charges for personal functions
- ❑ Special gardening requirements
- ❑ Unit modifications
- ❑ Transportation out of town/personal livery service
- ❑ Individual or small group (less than 5 residents) transportation, if available
- ❑ Durable medical equipment specified by Arbors, e.g., walkers, canes and wheelchairs, etc.
- ❑ Replacement of missing personal emergency call pendants
- ❑ Personal concierge service

Note: Electricity usage is metered separately for each living unit and is billed to and paid by the Residents. Electricity usage within the living unit is for all power requirements except air conditioning and heat, which is provided by Arbors.

13.3 Services and Facilities Outside of the Unit

The following common areas are available for use and include an intra-building communication system including emergency call:

- ❑ Lobby w/Fireplace
- ❑ Library w/Fireplace
- ❑ Beauty Parlor/Barber Shop
- ❑ Club Room
- ❑ All-Purpose Room w/Fireplace
- ❑ Private Dining Room w/Fireplace
- ❑ Art Room
- ❑ Wellness Center
- ❑ General Store
- ❑ Activities Center
- ❑ Gathering Center
- ❑ Auditorium

- Elevators (2)
- Laundry Room per floor (free of charge)
- Emergency generator supplying heat, air-conditioning and light
- Communication Center

13.4 Dining Service

One meal per day. Second and third meals charged to monthly fee. Waited table service; or tray room service delivered to your apartment.

13.5 Security Services

Centrally monitored electronic security system monitored 24 hours a day.

13.6 Social, Educational and Recreational Activities

Activities Coordinator on staff for the purpose of scheduling of events.

13.7 Transportation

Scheduled transportation according to Arbors' policy to shopping, banking, social activities, religious services and physician's visits within Manchester, Vernon, Glastonbury, East Hartford and South Windsor. There is a nominal charge for out of town transportation that will be added to Your monthly service fee. At the discretion of the administration, individual/small group (less than five (5) residents) transportation may be arranged in the event scheduled transportation is unavailable or inconvenient. Surface parking for residents and guests is provided.

Modifications to Services Arbors reserves the right to add or delete services and facilities as may be necessary from time to time. Arbors will provide You with thirty (30) days notice prior to effecting the change.

14. HEALTH CARE BENEFITS ADDENDUM

Arbors offers several levels of care. You will have priority access to all levels of care and health care Services. While you reside in your apartment, you may request the help of our Nursing staff to make arrangements necessary to meet your health care needs.

In addition to our Nursing staff, there are medical professionals on site that you may use, or you may elect to continue to have your own physicians and other healthcare professionals in the community.

Health Care Services at Arbors include:

- (a) 24-hour a day emergency alert monitoring,
- (b) Daily check-in service,
- (c) Nursing Services/Care Coordination. These services include nursing services provided by a registered nurse or licensed practical nurse. The Nurse is "on call" when not on site for residents receiving Assisted Living services through Arbors.

Additional Health Care Services at Arbors are available at an additional charge:

- (a) ALSA Aide/Homemaker Services provided to residents in their apartment to assist residents to live independently.
- (b) Other health care providers are available onsite. This may include Physicians, Podiatrists, Physical Therapists or other healthcare professionals. You may elect to continue to have your own physicians and other healthcare professionals in the community.

14.1 Health Services Provided by Manchester Rehabilitation and Health Care Center

- (a) Manchester Rehabilitation and Health Care Center ("Manchester Manor") will provide a range of skilled nursing and rehabilitative services to Residents of Arbors. Based upon the recommendation of the Resident's attending physician and in consultation with the Resident and/or Responsible party, these services are implemented. Manchester Manor provides these services to both short-term rehabilitation patients as well as long-term care residents.

For the Resident

Resident

Witness

Resident

Witness

Living Unit # _____ and Type _____

Executed this ____ day of _____, 20____, at

_____, Connecticut.

For Arbors of Hop Brook ALF Operations LLC

By _____
(Signature)

(Name)

(Title)

Executed this ____ day of _____, 20____, at

_____, Connecticut.

Resident Name(s): Name
Refund Type: 90%
Unit Number:
Type:
Date Executed: **/**/20**

ENTRANCE FEE ADDENDUM 90%

The purpose of the Addendum is to set forth Your duties of this Agreement and to delineate the Entrance Fee terms under your residency agreement with Arbors of Hop Brook.

Parties This Agreement is made and entered into by and between **Name** (collectively, "You"), and Arbors of Hop Brook ALF Operations LLC (Arbors).

1.1 Entrance Fee Amount

You agree to pay Arbors a total Entrance Fee of \$____, consisting of a first person Entrance Fee of \$____, and a second person Entrance Fee of \$____ for the right of residency in Living Unit Number_____.

Entrance Fee Refund You have chosen to participate in a 90% Refundable Entrance Fee plan. Arbors will collect the Entrance Fee listed and will retain from Your refund an amount equal to two percent (2%) of Your Entrance Fee for each month. At the 5th month of residency, the amount of Your refund will remain at 90% of the total Entrance Fee of \$____, for a maximum return of \$____ upon the 5th month of residency or after. If you leave the Community prior to that time, Your Refund amount will be prorated by 2% each month of residency. For example, if You leave the community after three (3) months of residency, You or Your estate would be entitled to ninety four percent (94%) of Your Entrance Fee paid, Arbors would retain a total of six percent (6%) of the Entrance Fee in that example.

1.2 Deductions from Entrance Fee Health expenses, including but not limited to health costs incurred at the Health Center and/or Assisted Living care provided by Us may be deducted from the refundable portion of the Entrance Fee, upon your request. Otherwise, these expenses will appear on your Monthly Service Fee. Health expenses which exceed the Refundable portion of the Entrance Fee will be added to the Monthly Service Fee.

1.3 Liabilities Prior to Refund Delinquent Monthly Service Fees, unpaid Apartment Renovation costs, or other charges incurred for the benefit of the Resident will be deducted from the refundable portion of the Entrance Fee. You (or Your estate) will remain liable for any excess amount.

1.4 Termination of Residency/Repayment of Entrance Fee In the event of termination of this Residency Agreement, we shall refund a maximum of 90% of the Entrance Fee paid by You without interest upon your departure from the Community (Arbors and/or Manchester Rehabilitation and Health Care Center). Such refund will be paid to you (or your designated beneficiary) within sixty (60) days of reoccupancy of your Living Unit. As used in this paragraph, the term "designated beneficiary" shall mean the person(s) or entity designated by you to receive such refund in the event of termination of this Residency Agreement as a result of your death. No such designation of beneficiary shall be effective unless the same is filed with Arbors prior to your death. In the event you do not effectively designate a beneficiary to receive the refund provided under this Agreement, such refund shall be paid to your estate.

For the Resident

_____ **Resident** _____ **Witness**

_____ **Resident** _____ **Witness**

Living Unit # _____ and Type _____

Executed this _____ day of _____, 20____, at _____,
Connecticut.

For Arbors of Hop Brook ALF Operations LLC

By _____
(Signature)

(Name)

(Title)

Executed this _____ day of _____, 20____, at _____, Connecticut.

Resident Name(s): _____
Refund Type: 50%
Unit Number: _____
Type: _____
Date Executed: _____

ENTRANCE FEE ADDENDUM 50%

The purpose of the Addendum is to set forth Your duties of this Agreement and to delineate the Entrance Fee terms under your residency agreement with Arbors of Hop Brook.

Parties This Agreement is made and entered into by and between **Name** (collectively, "You"), and Arbors of Hop Brook ALF Operations LLC (Arbors).

1.1 Entrance Fee Amount

You agree to pay Arbors a total Entrance Fee of \$_____, consisting of a first person Entrance Fee of \$_____, and a second person Entrance Fee of \$_____ for the right of residency in Living Unit Number, _____ Type _____ Unit.

1.2 Entrance Fee Refund You have chosen to participate in a 50% Refundable Entrance Fee plan. Arbors will collect the Entrance Fee listed and will retain from Your refund an amount equal to two percent (2%) of Your Entrance Fee for each month. At the 25th month of residency, the amount of Your refund will remain at 50% of the total Entrance Fee of \$_____ for a maximum return of \$_____ upon the 25th month of residency or after. If you leave the Community prior to that time, Your Refund amount will be prorated by 2% each month of residency. For example, if You leave the community after three (3) months of residency, You or Your estate would be entitled to ninety four percent (94%) of Your Entrance Fee paid, Arbors would retain a total of six percent (6%) of the Entrance Fee in that example.

1.3 Deductions from Entrance Fee Health expenses, including but not limited to health costs incurred at the Health Center, and/or Assisted Living care provided by Us may be deducted from the refundable portion of the Entrance Fee, upon your request. Otherwise, these expenses will appear on your Monthly Service Fee. Health expenses which exceed the Refundable portion of the Entrance Fee will be added to the Monthly Service Fee.

1.4 Liabilities Prior to Refund Delinquent Monthly Service Fees, unpaid Apartment Renovation costs, or other charges incurred for the benefit of the Resident will be deducted from the refundable portion of the Entrance Fee. You (or Your estate) will remain liable for any excess amount.

1.5 Termination of Residency/Repayment of Entrance Fee In the event of termination of this Residency Agreement, we shall refund a maximum of 50% of the Entrance Fee paid by You without interest upon your departure from the Community (Arbors and/or Manchester Rehabilitation and Health Care Center). Such refund will be paid to you (or your designated beneficiary) within sixty (60) days of reoccupancy of your Living Unit. As used in this paragraph, the term "designated beneficiary" shall mean the person(s) or entity designated by you to receive such refund in the event of termination of this Residency Agreement as a result of your death. No such designation of beneficiary shall be effective unless the same is filed with Arbors LLC prior to your death. In the event you do not effectively designate a beneficiary to receive the refund provided under this Agreement, such refund shall be paid to your estate.

For the Resident

Resident	Witness
Resident	Witness

Living Unit # _____ and Type _____

Executed this _____ day of _____, 20____, at _____, Connecticut.

For Arbors of Hop Brook ALF Operations LLC

By _____ (Signature)

(Name)

(Title)

Executed this _____ day of _____, 20____, at _____, Connecticut.

Resident Name(s):
Refund Type:
Unit Number:
Type: Declining
Date Executed:

ENTRANCE FEE ADDENDUM DECLINING BALANCE

The purpose of the Addendum is to set forth Your duties of this Agreement and to delineate the Entrance Fee terms under Your residency agreement with Arbors of Hop Brook.

Parties This Agreement is made and entered into by and between _____ **Name** (collectively, "You"), and Arbors of Hop Brook ALF Operations LLC (Arbors).

1.5 Entrance Fee Amount

You agree to pay Arbors a total Entrance Fee of \$ _____, consisting of a first person Entrance Fee of \$ _____, and a second person Entrance Fee of \$ _____ for the right of residency in Living Unit _____, Type _____.

1.6 Entrance Fee Refund You have elected to participate in a Declining Balance refund plan Consisting of a maximum refund amount of \$ _____. Arbors shall retain from Your refund an amount equal to two percent (2%) of Your Entrance Fee for each month since the full Entrance Fee was paid. For example, this means that if You reside in the Community for fifty (50) months or longer, You or Your estate would not be entitled to any refund of Your Entrance Fee.

1.3 Not Used

1.4 Liabilities Prior to Refund Delinquent Monthly Service Fees, unpaid Apartment Renovation costs, or other charges incurred for the benefit of the Resident will be deducted from the refundable portion of the Entrance Fee. You (or Your estate) will remain liable for any excess amount.

1.5 Termination of Residency/Repayment of Entrance Fee In the event of termination of this Residency Agreement, we shall refund all of the refundable balance of Entrance Fee paid by You upon your departure from the Community (Arbors and/or Manchester Rehabilitation and Health Care Center). This amount is not subject to interest earnings. Such refund will be paid to you (or your designated beneficiary) within sixty (60) days of reoccupancy of Your Living Unit. As used in this paragraph, the term "designated beneficiary" shall mean the person(s) or entity designated by You to receive such refund in the event of termination of this Residency Agreement as a result of Your death. No such designation of beneficiary shall be effective unless the same is filed with Arbors prior to Your death. In the event You do not effectively designate a beneficiary to receive the refund provided under this Agreement, such refund shall be paid to Your estate.

For the Resident

Resident

Witness

Resident

Witness

Living Unit # _____ and Type _____

Executed this _____ day of _____, 20____, at _____, Connecticut.

For Arbors of Hop Brook ALF Operations LLC

By _____
(Signature)

(Name)

(Title)

Executed this _____ day of _____, 20____, at _____, Connecticut.



**Designation of Beneficiary
To Receive Refund of Entrance Fee Upon Death**

In accordance with Paragraph 8.1 of the Basic Agreement entered into by and between me, _____, Arbors of Hop Brook, on _____, 20____, I hereby designate that the following individual(s) or trust receive any refund of my Entrance Fee that may be payable upon my death:

Individual(s) Beneficiary:

Name of Individual: 1st) _____ % of refund

Address: _____ City _____ Zip _____

Phone _____

2nd) Name _____ % of refund

Address _____ City/State _____ Zip _____

Phone _____

Or :

Name of Trust: _____

Date of Trust Agreement: _____

Type of Trust: _____

Name(s) of Original Trustees: _____

I understand that I may cancel, amend or revoke this designation of beneficiary at any time by filing written notice thereof with Arbors of Hop Brook prior to my death. If no designation of beneficiary is on file with Arbors of Hop Brook at the time of my death, I understand that any refund of my Entrance Fee will be paid to my estate.

Dated this _____ day of _____, 20 _____

Resident _____ Resident _____

Witness _____ Witness _____



Conspicuous Statement Agreement/Disclosure Acknowledgement and Receipt

Arbors of Hop Brook, a Continuing Care Retirement Community, hereby furnishes to you a copy of ARBORS OF HOP BROOK DISCLOSURE STATEMENT Version # Contract Year 2022 (Amended September 2022), which is the current edition of our Disclosure Statement. The BASIC AGREEMENT section of the DISCLOSURE STATEMENT includes the form of contract under which Arbors provides continuing care. This document will be reviewed with you by a staff member of Arbors.

As a prospective resident, Arbors of Hop Brook hereby informs you that a continuing care contract is a financial investment. As Arbors' ability to meet the terms of our continuing care contracts depends upon our financial performance, your financial investment may be at risk. Your financial investment is not guaranteed by the Connecticut Department of Social Services or any other state or federal agency. You are advised to consult an attorney or other professional experienced in matters relating to investments in continuing care facilities before you sign a continuing care contract.

As a prospective resident, you must sign a Disclosure Acknowledgement and Receipt at least (10) days but not more than sixty (60) days before signing Arbors BASIC AGREEMENT included in the above referenced DISCLOSURE STATEMENT.

I/we hereby acknowledge receipt of ARBORS' DISCLOSURE STATEMENT:

Prospective Resident's Signature

Prospective Resident's Signature

Print Prospective Resident's Name

Print Prospective Resident's Name

Date

Date

Advisor/Consultant's Signature (If applicable)

Arbors' Representative's Signature

Print Advisor/Consultant's Name

Print Arbors' Representative's Name

Date

Date

SWORN STATEMENT OF ESCROW AGENT

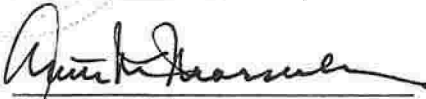
The undersigned, as escrow agent, hereby certifies that a reserve fund escrow account has been established and funded and remains in effect as of the date hereof pursuant to the Reserve Fund Escrow Agreement dated September 12, 2022 between U.S. Bank National Association and Arbors of Hop Brook ALF Operations LLC.

Escrow Agent
U.S. Bank National Association



Paul O'Brien
Vice President

Subscribed and sworn before
me this 15th day of Sept. 2022.


Notary Public

ANNETTE M. MARSULA
NOTARY PUBLIC OF NEW JERSEY
Commission # 50128889
My Commission Expires 6/30/2025

SWORN STATEMENT OF ESCROW AGENT

The undersigned, as escrow agent, hereby certifies that an entrance fee escrow account has been established and remains in effect as of the date hereof pursuant to the Entrance Fee Escrow Agreement dated September 12, 2022 between U.S. Bank National Association and Arbors of Hop Brook ALF Operations LLC.

Escrow Agent
U.S. Bank National Association



Paul O'Brien
Vice President

Subscribed and sworn before
me this 15 day of Sept 2022.


Notary Public