

DRAFT
NOVEMBER 2, 2022

SUBJECT TO DOH AND DFS APPROVAL
NOT FOR DISSEMINATION



**A Community Operated by
The Knolls at Goshen, Inc.**

**TYPE C- Declining Balance
Residency Agreement**

[MONTH] 2023

This matter involves a substantial financial investment and a legally binding contract. In evaluating the Disclosure Statement and the Type C Residency Agreement prior to any commitment, it is recommended that you consult with an attorney and financial advisor of your choice, if you so elect, who can review these documents with you. You have the right to rescind the Type C Residency Agreement within 7 days after signing without obligation.

The Knolls at Goshen, Inc.
Continuing Care Retirement Community
214 Harriman Drive
Goshen, New York 10924
845-360-1400

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Recitals

The Knolls at Goshen, Inc., a New York not-for-profit corporation, (“Sponsor” or “The Knolls at Goshen”), is the owner of a continuing care retirement community known as The Knolls at Goshen, which is located in Goshen, in Orange County, New York. Sponsor’s plan is to provide quality continuing care to residents at costs commensurate with the services and facilities contemplated by this Residency Agreement. It is the goal of the Sponsor to allow residents to continue an independent lifestyle and to provide the peace of mind associated with knowing that additional attention and care is available if ever needed.

The person or persons who sign this Residency Agreement are referred to throughout this document as “Resident” and this Residency Agreement shall apply to both of them and to the survivor. Resident has decided to move to The Knolls at Goshen to enjoy the facilities and services contemplated by this Residency Agreement. The facilities of The Knolls at Goshen include Independent Living Apartments, Enriched Housing Apartments, Nursing Beds and related common areas.

This Residency Agreement is made and entered into between Sponsor and Resident as a commitment by Sponsor and Resident to the terms and conditions hereinafter set forth.

**SECTION I
RESIDENT’S RIGHT OF RECISSION**

Resident has the right to rescind and terminate this Residency Agreement, without penalty or forfeiture, provided written notice is given of the decision to terminate within the seven (7) day rescission period (the “Rescission Period”). The Rescission Period begins on _____ and ends on _____. This means you can rescind the Residency Agreement on or before _____. If you decide to rescind the Residency Agreement, you must sign the Resident’s Notice of Rescission form, attached hereto as Exhibit A, enter the date and return the Notice of Rescission form to The Knolls at Goshen, 214 Harriman Drive, Goshen, New York 10924.

If you mail this document, the postmark must be no later than _____. If you deliver this document or if you send a facsimile, delivery must be made to The Knolls at Goshen’s office by the close of business on _____. See Section V(b)(1) regarding refund of Resident’s Entrance Fee Deposit upon rescission.

**SECTION II
OBLIGATIONS OF SPONSOR**

Subject to Resident’s performance of his or her duties and obligations under this Agreement, Sponsor agrees to provide the services described in this Agreement. Sponsor also agrees to make the Independent Living Apartment number _____, which is

[description of Independent Living Apartment] available to Resident for Resident’s use for life or until permanent transfer to an Enriched Housing Apartment or a Nursing Bed, or until termination of this Agreement in accordance with Section XI or Section XII.

**SECTION III
DESCRIPTION OF SERVICES**

Health care services shall be provided on the following basis:

- (a) Resident will receive, when medically necessary, enriched housing and skilled nursing services. Skilled nursing services will be provided at The Knolls at Goshen or, if Nursing Beds are not available at The Knolls at Goshen, then at another skilled nursing facility. The Knolls at Goshen will use all reasonable efforts to find appropriate Nursing Beds in close proximity to Sponsor. When medically necessary, Resident will receive enriched housing services. Residents of Enriched Housing Apartments shall receive the residential services listed above plus twenty-four (24)-hour per day supervision and assistance with the activities of daily living provided in accordance with a care management plan. If the Enriched Housing Apartments are unavailable, equivalent services will be provided through home care. **Resident will be responsible for all costs and charges associated with the skilled nursing home services and enriched housing services.**
- (b) Residents who are enrolled in a Health Maintenance Organization may have skilled nursing facility benefits available under the Health Maintenance Organization subscriber contract. If no appropriate financial arrangement has been made and you choose to receive such care at The Knolls at Goshen and your HMO does not approve that care, you would be responsible to pay us for such services.
- (c) Resident will have the right to be treated by any physician of his or her choice. Upon residency at The Knolls at Goshen, Resident, if competent, or Resident's representative, if Resident is not competent, shall designate such physician as Resident's attending physician and shall keep Sponsor informed of any change.
- (d) Sponsor will designate as Medical Director a physician licensed to practice medicine in the State of New York.
- (e) Resident shall be responsible for paying, over and above the Monthly Fee, the cost of Resident's physician's services, hospital services, home care services not covered by Medicare, prescription drugs, durable medical equipment, private duty nurses or aides and prescribed therapies

In addition to the health care services described above, Sponsor will provide the following services to Resident. Services described are included in the Monthly Fee unless otherwise specified.

- Residency at The Knolls at Goshen
Residents that do not require enriched housing or skilled nursing will reside their independent living unit.
- Dining Services for Residents
The number of meals included as part of the Monthly Fee shall equal the number of days in the month. Residents who eat additional meals will pay for those meals and will be billed for them monthly. Residents are required to pay for guest meals and will be billed for them monthly. Monthly fees will not be reduced for meals not taken unless the Resident is absent for more than thirty (30) consecutive days, with prior notification.

Special diets will be provided upon written orders signed by the Resident's physician.

- Utilities and Basic Cable Television
Sponsor shall be responsible for payment of utilities, except for telephone service. The cost of basic cable television service is included as part of the Monthly Fee.
- Independent Living and Enriched Housing Apartment Maintenance
Sponsor will maintain all provided appliances, carpet, and fixtures for the Resident as part of the Monthly Fee.
- Access to and Maintenance of Common Areas
Sponsor will provide access to the common areas and facilities for the use and enjoyment of residents, subject to reasonable rules and procedures of general application to all residents, as established by Sponsor and provided to Resident. Common areas will include a central dining room, a private dining room, a kitchen, activity areas, lobbies, an exercise center including an indoor pool, a convenience store, a café, library, guest suites, woodworking shop, auditorium, lounges and administrative areas. Sponsor will be responsible for cleaning and maintenance of all common areas.
- Weekly Flat Linen Service
Sponsor will provide weekly linen service. The Resident's linen will be washed, dried, and folded. Such service shall include laundering the Resident's sheets, pillowcases, towels, and face cloths. The use of permanent press fabrics is recommended, but not required. Staff will launder, but will not iron, nonpermanent press items.
- Weekly Housekeeping plus Annual Heavy Cleaning
Sponsor will provide weekly housekeeping services. Housekeeping services will include cleaning and dusting the interior of the apartment, vacuuming, and washing and waxing of hard surface floors. Heavy cleaning such as windows and appliances will be done once each year. Rearranging of apartment furniture will be available at Resident's expense. Extra cleaning help will be available at additional cost.
- Scheduled Transportation
Scheduled van or other transportation services will be provided. Special events transportation may be provided at extra cost to the Resident.

Areas of regularly scheduled transportation will generally be limited to the Greater Goshen area. Included within this area are shopping centers and medical and other professional offices. Sponsor will provide scheduled transportation to places of worship within the service area.

- Optional Activities
Sponsor will organize activities for residents such as exercise classes, trips, and educational programs. Participation by the residents in such activities is optional.
- Use of the Exercise Center/Indoor Swimming Pool
The Knolls at Goshen includes an exercise center including an indoor swimming pool and fitness center for residents and their guests.

- Skilled Nursing Services Charged to Resident on a Fee-for-Service Basis
Resident will receive, when medically necessary, skilled nursing services. Skilled nursing services will be provided at The Knolls at Goshen or, if Nursing Beds are not available at The Knolls at Goshen, then at another skilled nursing facility. Sponsor will use all reasonable efforts to find appropriate Nursing Beds in close proximity to Sponsor. **Resident will be responsible for all costs and charges associated with skilled nursing services.**
- Enriched Housing Services Charged to Resident on a Fee-for-Service Basis
When medically necessary, Resident will receive enriched housing services. Residents of Enriched Housing Apartments shall receive the residential services listed herein plus twenty-four (24)-hour per day supervision and assistance with the activities of daily living provided in accordance with a care management plan. If the Enriched Housing Apartments are unavailable, equivalent services will be provided through home care. **Resident will be responsible for all costs and charges associated with enriched housing services.**
- Access to Short-term and Intermittent Home Health Care
Home health care services, provided by a certified home health care agency, as defined by and to the extent reimbursable under the Medicare program, to residents of an Independent Living or Enriched Housing Apartment. Such services are intermittent and short-term in nature, typically rendered following an acute care illness.
- Various Administrative Services
Sponsor will provide administrative services including billing residents for Monthly Fees and a receptionist on duty twenty-four (24) hours per day/seven (7) days per week.
- Prescription Drug Service
Residents of Independent Living and Enriched Housing Apartments are responsible for providing their own prescription drugs. Arrangements have been made to allow for local pharmacy delivery. Transportation service to local pharmacies will be provided for the convenience of residents and to ensure residents have access to prescription drugs.

SECTION IV RESIDENT PARTICIPATION

- (a) Residents shall have the right to self-organization. Any resident group organized pursuant to this Section (the Residents Association) shall have the following rights:
- (1) The right to engage in group activities, including for the purpose of keeping informed of the operations of The Knolls at Goshen;
 - (2) The right to use The Knolls at Goshen's facilities to conduct meetings;
 - (3) The right to obtain current copies of the Disclosure Statement, Annual Report, Audit Reports and final results of any regulatory findings pertaining to The Knolls at Goshen as a whole or any of its component facilities; and
 - (4) The right to appoint one or more residents to represent the group in communications with The Knolls at Goshen's management.

- (b) Sponsor shall consult with the Residents Association at least quarterly with respect to matters affecting the residents such as increases in Monthly Fees, changes to operating procedures and adoption of or changes to general policies applying to all residents. Sponsor reserves the right, after such consultation with such Residents Association, to take any action permitted under this Agreement as Sponsor deems appropriate for the financial soundness of The Knolls at Goshen, for the health, safety and general well-being of the residents or to assist Sponsor in carrying out the ideals set forth in the Recitals to this Residency Agreement.
- (c) If Resident has a grievance or a dispute with management of The Knolls at Goshen, Resident can choose to exercise the right to present the grievance or dispute to the Residents Association. If, in the judgment of the Residents Association, the grievance or dispute has merit, the president of the Residents Association will discuss the matter with management. If it is not resolved to the satisfaction of the Residents Association by management, the president of the Residents Association may appeal to the Board of Directors of Sponsor. The Board of Directors shall consider the disputed matter and resolve it within thirty (30) days. The decision of the Board of Directors shall be final. This process does not preclude the Resident from availing Resident of any other legal, statutory and/or regulatory remedies available to Resident.
- (d) Sponsor agrees to meet at least once each year with all residents to discuss subjects such as the financial position of The Knolls at Goshen, the quality of social and health services provided, and any proposed changes in policies, programs, services or fees.

**SECTION V
FEES AND ENTRANCE FEE REFUNDS**

For the right to use the Independent Living Apartment at The Knolls at Goshen, and to receive the services described in this Residency Agreement, Resident agrees to pay to Sponsor the following fees, which are due and payable as described below:

(a) **Entrance Fee.**

- (1) Amount--The Entrance Fee for the Independent Living Apartment selected shall be as follows:

First Person	Second Person	Total
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If this Agreement is signed by two persons and one person dies or terminates this Residency Agreement, such person shall be the "Second Person". The other person shall be the "First Person".

- (2) Entrance Fee Deposit--The Total Entrance Fee Deposit shall equal ten percent (10%) of the Entrance Fee, or \$ _____ and is due upon signing of this Agreement. The Entrance Fee Deposit shall be made by Resident's check made payable to The Knolls at Goshen, Inc. The Entrance Fee Deposit shall be held by Sponsor for seven (7) days (until the end of the Rescission Period) and then deposited. If Resident exercises his or her right of rescission, Resident's check will be returned to Resident.
- (3) Balance of Entrance Fee--The balance of the Entrance Fee of \$ _____, or ninety percent (90%), is to be paid upon the Resident's Occupancy Date. The

Resident's Occupancy Date shall be defined as the earlier of the actual date Resident assumes residency, or sixty (60) days from the date Sponsor executes this Agreement; but no earlier than the date that the Resident's Independent Living Apartment is ready for occupancy. Sponsor, at Sponsor's sole discretion, may extend the date the balance of the Entrance Fee is due. Any such extension shall be valid only if in writing. If an extension is granted, Sponsor may terminate this Agreement in accordance with Section XII(a)(1) after giving Resident thirty (30) days' notice to pay the balance of the Entrance Fee. Sponsor accepts only cash via wire transfer or check as payment. Sponsor will not accept securities, goods, services or any other form of payment.

(b) Refunds.

(1) Timing of Entrance Fee Refund:

- (a) If Resident rescinds this Agreement in accordance with Section I, Sponsor shall return Resident's Entrance Fee Deposit within three (3) business days of receipt of Resident's Notice of Rescission.
- (b) If Resident terminates this Agreement in accordance with Section XI(a), Sponsor shall return Resident's Entrance Fee Deposit within sixty (60) days following notice that Resident has terminated this Agreement.
- (c) If Resident terminates this Agreement after the expiration of the Rescission Period for any other reason, Sponsor shall refund the Entrance Fee Deposit, or the refundable portion of the Entrance Fee, no later than thirty (30) days after a new resident signs an Agreement and pays the then applicable Entrance Fee for Resident's Independent Living Apartment, but in no event later than one (1) year after termination of this Agreement. The refund will be paid to Resident or, if applicable, Resident's estate.
- (d) If, after expiration of the Rescission Period, one of two joint Residents sharing a single Independent Living Apartment shall terminate their residency while the second joint Resident remains in the Independent Living Apartment, the Sponsor will not be obligated to refund the Entrance Fee until this Agreement terminates.
- (e) If this Agreement is terminated by Sponsor after the Rescission Period but prior to Resident's Occupancy Date, Sponsor will refund the Entrance Fee paid less any adjustments pursuant to Section V(b)(3) within ninety (90) days of termination.
- (f) If Sponsor terminates this Agreement on or after the Resident's Occupancy Date, Sponsor will refund the refundable portion of the Entrance Fee paid, less any adjustments pursuant to Section V(b)(3), no later than thirty (30) days after a new resident signs an Agreement and pays the then applicable Entrance Fee for Resident's Independent Living Apartment, but in no event later than one (1) year after termination of this Agreement.

- (2) If this Agreement is terminated within 48 months, a refund will be due. The amount of the refund, before reduction, will depend on the timing of the termination. If the Agreement is terminated prior to or within ninety (90) days of Resident's Occupancy Date, Sponsor will refund the Entrance Fee. If termination occurs more than ninety (90) days after Resident's Occupancy Date, but within the 48 months, a portion of the Entrance Fee will be refunded. Sponsor will retain a four percent (4%) administration fee and an additional two percent (2%) for each full or partial month of residency retroactive to the first (1st) month of Resident's Occupancy Date. Sponsor will refund, after reduction in accordance with Section V, the balance. After 48 months of occupancy, the entrance fee refund is reduced to zero.
- (3) Refunds will be reduced by (a) amounts due for unpaid Monthly Fees and accrued interest thereon; (b) advances made by Sponsor pursuant to Section VIII(b); (c) any other amounts due Sponsor and accrued interest thereon; and (d) the cost of refurbishing, as defined in Section V(b)(6), Resident's Independent Living Apartment for use by a new resident.
- (4) If two Residents of separate Independent Living Apartments decide to jointly reside in one of the previously occupied Independent Living Apartments, Sponsor shall refund a portion of the Entrance Fee in accordance with the Sections above for the Independent Living Apartment vacated. Sponsor shall make such refund no later than thirty (30) days after a new resident pays the then applicable Entrance Fee for the Independent Living Apartment vacated, but in no event later than one (1) year after termination of this Agreement. Sponsor shall make the refund to Resident or, if applicable, Resident's estate. No portion of the Entrance Fee will be refunded for the Independent Living Apartment occupied. Residents shall pay the First Person and Second Person Monthly Fee for the Independent Living Apartment occupied and the requirement to pay the First Person and Second Person Monthly Fee for the Independent Living Apartment vacated shall cease.
- (5) If two Residents of separate Independent Living Apartments decide to vacate their Independent Living Apartments and jointly reside in a new Independent Living Apartment, Residents shall execute a new Residency Agreement, pay one hundred percent (100%) of the then applicable Entrance Fee for the newly occupied Independent Living Apartment and pay the then applicable First and Second Person Monthly Fees for the Independent Living Apartment occupied. Sponsor shall refund a portion of the Entrance Fee in accordance with the Sections above for both Independent Living Apartments vacated. Sponsor shall make such refunds no later than thirty (30) days after the new resident(s) pays the then applicable Entrance Fee for each of the Independent Living Apartments vacated, but in no event later than one (1) year after termination of their Agreements. Sponsor shall make the refund to each applicable Resident or, if applicable, Resident's estate.
- (6) The cost of refurbishing shall include (a) replacing or repairing damaged appliances, fixtures, walls, ceilings, floor coverings, cabinets, counter tops, windows, doors, lights and locks; (b) removing wall coverings installed at the request of Resident; (c) repainting rooms painted at the request of Resident with nonstandard paint; (d) replacing nonstandard floor coverings installed at the request of Resident; and (e) removal of custom cabinetry and other alterations, customizations or improvements

(“improvements”) made at the request of Resident if such improvements are not desired by a new resident for such Independent Living Apartment. The cost of refurbishment shall not include the cost of repainting walls painted with standard paint, the cost of shampooing standard carpet, or other cleaning needed due to normal use.

(c) Monthly Fee.

- (1) Amount--The initial Monthly Fee for Resident’s Independent Living Apartment is \$ _____ (“First Person Monthly Fee”). If two persons reside in this Independent Living Apartment, Residents will pay an additional Monthly Fee of \$ _____ (“Second Person Monthly Fee”). If this Agreement is signed by two persons and one person dies or terminates this Agreement, such person shall be the “Second Person”. The other person shall be the “First Person”. Resident shall pay the Monthly Fee beginning on the earlier of the actual date Resident assumes residency, or sixty (60) days from the date Sponsor executes this Agreement; but no earlier than the date that the Resident’s Independent Living Apartment is ready for occupancy. Sponsor, at Sponsor’s sole discretion, may extend the date the first Monthly Fee is due. Any such extension shall be valid only if in writing. If an extension is granted, Sponsor may terminate this Agreement in accordance with Section XII after giving Resident thirty (30) days’ notice to pay the Monthly Fee. Resident’s obligation to pay the Monthly Fee shall continue until this Agreement is terminated. Sponsor will accept only cash via wire transfer or a check as payment. Sponsor will not accept securities, goods, services, or any other form of payment. The Monthly Fee shall be billed to Resident at the end of each month and is due by the fifth (5th) day of the following month.
- (2) Increases in Monthly Fee--Sponsor shall provide Resident with sixty (60) days’ notice of any change in Monthly Fees. Such notice shall set forth the effective date of the new Monthly Fee and the amount of the change. On January 1 of each year, Sponsor intends to increase the Monthly Fee if Sponsor deems such increase is necessary to meet the financial needs of operating The Knolls at Goshen or to provide services to Residents. In adjusting the Monthly Fee, Sponsor will follow a methodology previously approved by the Superintendent of Financial Services. Any adjustment not reflected in the methodology approved by the Superintendent will require the approval of the Superintendent before implementation. In adjusting fees, Sponsor shall consult with the Residents Association as provided in Section IV of this Agreement and shall make the information and data upon which the adjustment in the Monthly Fee is based available to all Residents. Sponsor reserves the right to increase Monthly Fees more often than once each year if Sponsor deems such increase is necessary to meet its obligations and if Sponsor obtains the approval of the Superintendent of Financial Services.
- (3) Monthly Fee if One Resident of a Jointly Occupied Independent Living Apartment is Transferred to an Enriched Housing Apartment -- Beginning on the first (1st) day of occupancy of an Enriched Housing Apartment:
 - (a) If the transfer to an Enriched Housing Apartment continues to be considered to be temporary, the First Person Monthly Fee and the Second Person Monthly

- Fee will continue to be paid, along with the costs and charges associated with Resident's stay in the Enriched Housing Apartment pursuant to Section III(a).
- (b) If the transfer to an Enriched Housing Apartment is determined to be permanent in accordance with Section VI(j), the Resident who continues to reside in the previously Jointly Occupied Independent Living Apartment will pay the First Person Monthly Fee and the Second Person Monthly Fee will be discontinued. The Resident who has been permanently transferred to an Enriched Housing Apartment will pay the then current per diem rate for the Enriched Housing Apartment.
- (4) Monthly Fee if One Resident of a Jointly Occupied Independent Living Apartment is Transferred to a Nursing Bed -- A change of residence of one or both Residents to a Nursing Bed shall have no effect on the First Person or Second Person Monthly Fee. Beginning on the first (1st) day of occupancy of a Nursing Bed not covered by Medicare:
- (a) If the transfer to a Nursing Bed continues to be considered to be temporary, the First Person Monthly Fee and the Second Person Monthly Fee will continue to be paid, along with the costs and charges associated with Resident's stay in a Nursing Bed pursuant to Section III(a).
- (b) If the transfer to a Nursing Bed is determined to be permanent in accordance with Section VI(j), the Resident who continues to reside in the previously Jointly Occupied Independent Living Apartment will pay the First Person Monthly Fee and the Second Person Monthly Fee will be discontinued. The Resident who has been permanently transferred to a Nursing Bed will pay the then current per diem rate for the Nursing Bed.
- (5) Monthly Fee if One Resident of a Jointly Occupied Independent Living Apartment Dies, Vacates the Apartment or Terminates This Agreement in Accordance With Section XI or Sponsor Terminates This Agreement in Accordance With Section XII-- If one Resident of a jointly occupied Independent Living Apartment dies or terminates this Agreement in accordance with Section XI and vacates the Independent Living Apartment, this Agreement shall remain in effect at the option of the surviving or remaining Resident. If the surviving or remaining Resident exercises his/her option that the Agreement remains in effect, the surviving or remaining Resident shall continue to pay the First Person Monthly Fee. Payment of the Second Person Monthly Fee shall terminate upon the date of death or termination.
- (6) Monthly Fee if the Resident of a Singly Occupied Independent Living Apartment Dies -- If the Resident of a singly occupied Independent Living Apartment dies, payment of the Monthly Fee shall terminate upon the date of death if the Independent Living Apartment is vacated and all possessions removed within thirty (30) calendar days of the date of death. If the Independent Living Apartment is not vacated or if all possessions have not been removed within thirty (30) calendar days, The Knolls at Goshen may remove Resident's possessions and store such possessions, the cost of such storage and removal will be considered to be an amount due sponsor and will be subtracted from the entrance fee refund due pursuant to Section V(b)(3)(c).

- (7) Other Charges--Resident may incur other charges described throughout this Agreement, such as guest meals, rearranging furniture and extra cleaning help. Such charges shall be billed to Resident at the end of each month and are due by the fifth (5th) day of the following month. Such right to incur other charges may be restricted by Sponsor if Resident is in default of payment of Monthly Fees or other charges unless Sponsor has approved the incurrence of other charges in advance.
- (8) Interest--Resident is expected to make payment of Monthly Fees and other charges when due. Resident is encouraged to make arrangements with Sponsor if Resident will be unable to make payments when due. If such arrangements are not made and Resident does not make payments when due, Sponsor shall charge interest on amounts due at one and one-half percent (1.5%) per month. Such interest shall be calculated from the date payment was due until the date paid.

**SECTION VI
TERMS OF RESIDENCY**

- (a) Resident's right to reside at The Knolls at Goshen shall exist and continue during Resident's lifetime unless terminated as provided for in Section XI or Section XII. It is expressly understood and agreed by the parties hereto that this Agreement grants Resident a right to reside in and use space at The Knolls at Goshen, subject to the terms of this Agreement, and it is understood that this Agreement is not a lease or easement and does not transfer or grant to Resident any interest in real property, including the Independent Living Apartment, owned by Sponsor. Rights of Resident under this Agreement are not assignable and no rights or benefits hereunder shall inure to the use or benefit of the heirs, legatees, assignees or representatives of Resident, unless expressly provided in this Agreement.
- (b) Notwithstanding any other provisions in this Agreement, Sponsor may make alterations in the Independent Living Apartment to meet the requirements of any applicable statute, law or regulation of the federal, state or municipal government.
- (c) No person other than Resident, and second occupant, if applicable, may reside in the Independent Living Apartment except for occasional visits or with the express written approval of Sponsor.
- (d) In the event that a person who is not a party to this Agreement ("New Person") is accepted for residency in the Independent Living Apartment at a time subsequent to the date hereof (said acceptance to be in accordance with admission policies governing all other admissions), New Person shall sign this Agreement and for each month thereafter pay the current Second Person Monthly Fee. Such New Person will then become a Resident for purposes of this Agreement.
- (e) The Independent Living Apartment shall be used only for residential purposes and shall not be used for business or professional purposes, or in any manner in violation of zoning requirements.
- (f) Sponsor shall not be liable for, and Resident shall indemnify and hold Sponsor harmless from, any claims, damages or expenses, including attorneys' fees and court costs, injury or death to persons and any damages to property caused by the negligent or intentional act or omission of Resident and any of Resident's agents or guests.

- (g) Resident shall carry “tenant insurance” covering Resident’s personal belongings and liability insurance in the amount of at least \$500,000 combined single limit. Proof of such coverage shall be provided to Sponsor prior to Resident occupying the Independent Living Apartment.
- (h) In the event removal of Resident’s property is not accomplished within thirty (30) days after termination of residency by reason of death or otherwise, Sponsor may remove and store such furniture, possessions and property at the expense of Resident or Resident’s estate.
- (i) Furnishings within the Independent Living Apartment will be provided by Resident. Furnishings provided by Resident shall not be such as to interfere with the health, safety and general welfare of other residents. Sponsor shall provide blinds on all windows. Resident is responsible for the cost of purchasing and installing additional window treatments.
- (j) Upon recommendation of the Medical Director, after consultation with the Resident’s personal physician, that it is necessary or appropriate by reason of Resident’s physical or mental health or other condition for Resident to vacate the Independent Living Apartment, Resident agrees to assume residency in an Enriched Housing Apartment or the nursing facility. If Resident moves to an Enriched Housing Apartment or Nursing Bed and the Medical Director later determines Resident is capable of independent living, Resident agrees to assume residency in an Independent Living Apartment. In making such decisions, the Medical Director will consult with Resident, if he or she is competent, or, if he or she is not competent, a representative of Resident and Resident’s attending physician. In the event of disagreement, the decision shall be referred to Sponsor as provided in Section XIII. Resident can, at any time, have a family member or other representative accompany them in any consultation with The Knolls at Goshen.
- (k) Upon recommendation of the Medical Director, after consultation with the Resident’s personal physician, that it is necessary or appropriate by reason of Resident’s physical or mental health or other condition for Resident to vacate the Enriched Housing Apartment, Resident agrees to assume residency in a Nursing Bed. If Resident moves to a Nursing Bed and the Medical Director later determines Resident is capable of living in enriched housing, Resident agrees to assume residency in an Enriched Housing Apartment. In making such decisions, the Medical Director will consult with Resident, if he or she is competent, or, if he or she is not competent, a representative of Resident and Resident’s attending physician. In the event of disagreement, the decision shall be referred to Sponsor as provided in Section XIII. Resident can, at any time, have a family member or other representative accompany them in any consultation with The Knolls at Goshen.
- (l) Resident acknowledges that Resident does not have any ownership interest in Sponsor.
- (m) Sponsor agrees to provide a locking device on each entry to the Independent Living Apartments. Resident agrees that administrative and emergency personnel of Sponsor shall have access to the Independent Living Apartment at all times, and that housekeeping personnel shall have access at scheduled times. Resident agrees not to place any additional locking devices on entry doors.
- (n) Resident agrees not to make any alterations to the Independent Living Apartment without the prior written approval of Sponsor, which approval can be withheld for any reason.

- (o) If the Medical Director, after consultation with Resident's attending physician and Resident, if he or she is competent, or, if he or she is not competent, with a representative of Resident, determines that Resident requires permanent care in an Enriched Housing Apartment or a Nursing Bed and the Independent Living Apartment is vacated, Sponsor shall have the right to assign the Independent Living Apartment for residency by others. If the Medical Director subsequently determines in consultation with Resident or Resident's attending physician that Resident can resume residency in accommodations equivalent to those he or she previously occupied, Resident shall have the right to relocate to such equivalent accommodations, as determined by The Knolls at Goshen, as soon as they are available. Sponsor shall determine the equivalency of accommodations. If the Independent Living Apartment is jointly occupied and one Resident transfers to an Enriched Housing Apartment or a Nursing Bed and the other Resident continues to reside in the Independent Living Apartment, the Independent Living Apartment would not be vacated for purposes of this paragraph. If the Medical Director subsequently determines, in consultation with Resident or Resident's attending physician, that Resident of a jointly occupied Independent Living Apartment can return to that Independent Living Apartment, Resident agrees to do so.
- (p) Although it is intended and expected that sufficient and appropriate facilities in the nursing home shall be available to Resident, should Resident require service in the nursing home and if space in the nursing home is temporarily unavailable to Resident when required for those services, Sponsor shall arrange for the nursing care to be provided to Resident in another appropriate nursing facility. Sponsor will use all reasonable efforts to find appropriate Nursing Beds in close proximity to Sponsor. Such care will be at Resident's expense as if Resident were in the nursing home, such as costs and charges that are incurred not covered by Medicare Part A, prescription medications ordered by the Resident's attending physician, over the counter health and beauty aids not stocked by the nursing home and similar items. Resident shall be transferred to a Nursing Bed as soon as appropriate space becomes available.
- (q) Sponsor's obligation to provide services under this Agreement begins when Resident's Independent Living Apartment is available for residency, Resident pays the balance of the Entrance Fee and the first month's Monthly Fee, and Resident moves to The Knolls at Goshen.
- (r) If the spouse of a Resident fails to meet the entrance requirements for The Knolls at Goshen, the Resident may terminate this Agreement in accordance with Section XI and receive a refund pursuant to Section V(b) of this Agreement.

**SECTION VII
REPRESENTATIONS OF RESIDENT**

Resident represents to Sponsor that:

- (a) All facts stated on Resident's Confidential Data Application are true and complete in all material respects as of the date made.
- (b) Resident will not make any gift or transfer of any asset listed on the Resident's Confidential Data Application if making such gift or transfer will impair Resident's ability to meet Resident's financial obligations under this Agreement.

**SECTION VIII
COVENANTS OF SPONSOR**

Sponsor covenants and agrees that:

- (a) Sponsor shall operate The Knolls at Goshen in accordance with prudent business policies. Under New York law, continuing care retirement communities are required to maintain liquid assets supporting reserve funds once the community becomes operational.
- (b) It is and shall be the declared intent and policy of Sponsor to operate as a not-for-profit corporation and not to terminate the residency of Resident solely by reason of the financial inability of Resident to pay the total Monthly Fee. When Resident establishes facts to justify the need for financial assistance, Sponsor shall advance funds to help Resident pay his or her Monthly Fee. Such advances, plus interest at the prime rate of M&T Bank, shall be charged against the refundable portion of Resident's Entrance Fee. In the case where such advances exceed the amount of Resident's Entrance Fee Refund, as determined in accordance with Section V, Sponsor (i) may waive some or all of the Resident's Monthly Fee; provided, however, that Resident has not willfully mismanaged assets needed to pay his or her Monthly Fee, and (ii) have a right to recover such advanced funds from any other sources of recovery that Resident may have arising out of or related in any way to Resident's Residency Agreement.
- (c) If a married couple becomes unable to continue full payment of the monthly care fees and one member of the couple is admitted to a skilled nursing facility, any expenditure of the refundable portion of the entrance fee held by Sponsor must consider the required allocation of resources available to the community spouse under Medicaid's spousal impoverishment budgeting before determining the amount of resources that the institutionalized resident must spend on his/her own care prior to application for Medicaid coverage of long-term care services (including skilled nursing facility services). The term "community spouse" refers to the non-institutionalized spouse residing in independent living, enriched housing or other community setting.

**SECTION IX
COVENANTS OF RESIDENT**

Resident covenants and agrees:

- (a) To comply with all reasonable operating procedures of The Knolls at Goshen.
- (b) To pay when due the Entrance Fee, Monthly Fee and other charges as provided in this Agreement.
- (c) Within sixty (60) days following assumption of residency hereunder to make provision by will or otherwise for the disposition of all furniture, possessions and property of Resident located on the premises of The Knolls at Goshen.
- (d) Not to impair Resident's ability to meet financial obligations under this Agreement.
- (e) To maintain at Resident's cost Medicare Part A, Medicare Part B (or equivalent) and one supplemental health insurance policy, as defined by the Superintendent of Financial Services as Medicare Supplemental Insurance, and to furnish Sponsor evidence of coverage in

accordance with a monitoring system employed by Sponsor. Resident shall be responsible for paying costs, over and above the Monthly Fee, the cost of their physician's services, ambulance and ambulette services, hospital services, home health services not covered by Medicare, prescription drugs, durable medical equipment and prescribed therapies that are not covered by insurance. If Resident does not maintain this insurance, Sponsor shall acquire it on behalf of Resident and charge Resident for the cost thereof. Resident agrees to reimburse Sponsor for the cost of such insurance. If Sponsor cannot purchase Medicare coverage and Medicare supplemental coverage or the equivalent, Sponsor shall have the authority to require an adjustment in the Resident's Monthly Fee, subject to the approval of the Superintendent of Financial Services, to fund the additional risk to Sponsor and Resident agrees to pay the adjusted Monthly Fee. If Resident fails to purchase or maintain Medicare coverage and Medicare supplemental coverage or the equivalent and Sponsor has not purchased such coverage, then Sponsor will be responsible for paying for services which would have been paid by Medicare or Medicare Supplemental Insurance, Sponsor will add this amount paid to the Resident's Monthly Fee, and Resident shall be responsible for reimbursing Sponsor for amounts paid on behalf of Resident.

- (f) Resident agrees to provide Sponsor with written evidence that Resident has paid Medicare and Medicare Supplemental Insurance premiums when due. Resident will provide such proof in accordance with procedures adopted by Sponsor.
- (g) To maintain automobile liability insurance in the amount of at least \$500,000 combined single limit and uninsured motorist insurance in the amount of \$300,000 as long as Resident owns or operates a motor vehicle. This coverage is necessary to ensure that a Resident's assets are not depleted as a result of an uninsured claim arising from operation of a motor vehicle. Resident must provide proof of this insurance at least semi-annually when requested.
- (h) To abide by all of the terms of residency set forth in Section VI and all other terms of this Agreement.

**SECTION X
TRANSFER OF RESIDENT TO ANOTHER INSTITUTION**

- (a) It is possible that Resident may need specialized care, which is beyond the capability of the skilled nursing facility. Such care would be needed if:
 - (1) Resident has been infected with a dangerous and contagious disease for which The Knolls at Goshen is not licensed to provide care, or
 - (2) Resident has become mentally or emotionally disturbed to the degree that Resident poses a danger to himself or herself or the health and welfare of other residents or staff, or
 - (3) The physical or mental condition of Resident materially changes so that he or she requires services not regularly provided by The Knolls at Goshen.

In such cases, The Knolls at Goshen's Medical Director shall consult with Resident's physician. If both physicians agree that specialized care is needed, management will review the Resident's needs for care with the Resident, if he or she is competent, or Resident's

representative, if he or she is not competent, and arrange the transfer. All such transfers shall be subject to and in accordance with applicable statutes, rules and regulations. In the case of such transfer of Resident residing in an Independent Living Apartment, Enriched Housing Apartment or Nursing Bed, if, in the opinion of both physicians, the transfer is temporary, Sponsor shall hold Resident's Independent Living Apartment, Enriched Housing Apartment or Nursing Bed for re-occupancy by Resident. If, in the opinion of both physicians, the transfer is permanent, Resident's Independent Living Apartment shall be available for re-occupancy. If the medical condition of Resident permanently transferred under this Section improves to the point where Resident, in the opinion of the Medical Director, is able to resume residing at The Knolls at Goshen. Resident shall transfer back to the accommodation last resided in.

If the Apartment last resided in by Resident is occupied by a new resident. Resident shall be entitled to reside in the next available Independent Living Apartment, Enriched Housing Apartment or Nursing Bed of the type previously occupied by Resident. In the event no Independent Living Apartment, Enriched Housing Apartment or Nursing Bed is available, Sponsor will make comparable living arrangements available until an Independent Living Apartment, Enriched Housing Apartment or a Nursing Bed becomes available. If the Independent Living Apartment is jointly occupied and one Resident transfers to another institution and the other Resident continues to live in the Independent Living Apartment, the Independent Living Apartment would not be vacated for purposes of this paragraph. If the Medical Director subsequently determines, in consultation with Resident or Resident's attending physician, that Resident of a jointly occupied Independent Living Apartment can return to that Independent Living Apartment, Resident must agree to do so.

- (b) In the event Resident, if he or she is competent, or, if he or she is not competent, Resident's representative and Resident's attending physician disagree with the Medical Director's opinion, such disagreement shall be submitted to Sponsor as provided in Section XIII. If Resident is so transferred before such disagreement is resolved and, if after review in accordance with Section XIII, such transfer is found to have been unnecessary, Sponsor shall be responsible for any additional costs incurred by Resident as a result of such transfer. Resident shall transfer back to the nursing facility, if appropriate, or to the Resident's Independent Living or Enriched Housing Apartment unless it has been occupied by a new resident, in which case Resident shall be entitled to reside in the next available Apartment of the type previously resided in by Resident. In the event no Apartment or Nursing Bed is available, Sponsor will make comparable living arrangements available until an Apartment or Nursing Bed becomes available.
- (c) Except as covered by Medicare Part A, Resident will be responsible for the full cost of service rendered to a Resident transferred under this Section.
- (d) When a Resident is transferred under this Section, Resident's obligation to pay the Monthly Fee continues and Sponsor will remit the amount received to the other facility. Resident's Entrance Fee will be held by Sponsor. If Resident terminates this Agreement, a refund of the Entrance Fee will be made in accordance with the terms of Section V. The Resident will be responsible to pay for the difference in cost between the Monthly Fee due to the Sponsor and the cost of the facility the Resident is transferred into.

**SECTION XI
TERMINATION BY RESIDENT**

- (a) Prior to residency, in the event of (i) the death of Resident, or (ii) the inability of Resident to reside in the Independent Living Apartment, the Enriched Housing Apartment or the Nursing Bed because of illness, injury or other incapacity, this Agreement shall terminate upon Sponsor's receipt of written notice of termination and Sponsor will refund Resident's Entrance Fee Deposit in accordance with Section V. In the event a second person is a party to this Agreement, Resident shall, in the event of the death or inability of the second person as provided above, have the option to leave this Agreement in force or to terminate this Agreement.
- (b) After the expiration of seven (7) days from the date of execution of this Agreement by Resident but prior to the Resident's Occupancy Date, Resident may terminate this Agreement for any reason by providing written notice of termination to Sponsor. Such termination shall be effective upon Sponsor's receipt of such written notice of termination. Sponsor shall refund to Resident the amount of the Entrance Fee Deposit in accordance with Section V.
- (c) In the event Resident fails to move into the Independent Living Apartment within sixty (60) days of the date Sponsor executes this Agreement, Sponsor, at Sponsor's sole discretion, may extend Resident's move-in date. Any such extension is valid only if in writing. If an extension is granted, Resident may terminate this Agreement pursuant to this Section XI or Sponsor may terminate this Agreement pursuant to Section XII(a)(1) after giving Resident thirty (30) days' notice to pay the balance of the Entrance Fee.
- (d) If Resident dies after Resident has assumed residency, Resident's Agreement is terminated and an entrance fee refund, if any, will be made in accordance with Section V. The date of Resident death shall be the date on which Sponsor is deemed to have received notice of termination.
- (e) After Resident's Occupancy Date, Resident may terminate this Agreement for any reason. Resident shall give Sponsor thirty (30) days advance written notice and shall pay the Monthly Fee until the expiration of such thirty (30) day period. Such termination shall be effective thirty (30) days after Sponsor receives such written notice of termination. An Entrance Fee Refund, if any, will be made in accordance with Section V.
- (f) If, after becoming Residents, joint Residents of a single Independent Living Apartment decide to live separately, the Residents could request several alternative living arrangements. Those alternatives and the conditions associated with each follow:
 - (1) Both Residents request continued residence at The Knolls at Goshen, with one continuing to reside in the Independent Living Apartment and one moving to another Independent Living Apartment. In such case, the Resident residing in the new apartment shall sign a new Residency Agreement. The Resident residing in the new apartment will pay the then applicable Entrance Fee for the apartment selected. Both Residents will pay the then applicable First Person Monthly Fee for the apartments they reside in.
 - (2) One Resident decides to leave. The terminating Resident shall provide thirty (30) days written notice of the termination to Sponsor. In such case, upon expiration of the notice

period, the remaining Resident will thereafter pay the applicable First Person Monthly Fee.

- (3) Both Residents decide to leave. In such case, the terminating Residents shall provide thirty (30) days written notice of the termination to Sponsor and shall pay the Monthly Fee until expiration of such time. Termination shall be effective thirty (30) days after Sponsor receives such written notice of termination. Residents may be entitled to a refund in accordance with Section V.
- (g) In the event that a Resident asks to move to a different Independent Living Apartment and Sponsor approves such move, such move shall not terminate this Agreement, but Resident or Residents shall execute an amendment to the Agreement and pay the then applicable First Person Monthly Fee and Second Person Monthly Fee for the newly occupied Independent Living Apartment and shall pay the difference between the Entrance Fee paid and the then applicable Entrance Fee for the newly occupied Independent Living Apartment, if higher.

If lower, Sponsor shall refund to Resident the difference between (a) the Entrance Fee paid multiplied by the percentage refund that would have applied to the Resident under Section V had this Agreement terminated as of the date of the move (the "Refund Percentage") and (b) the then applicable Entrance Fee for the newly occupied Independent Living Apartment multiplied by the Refund Percentage. Any refund will be paid in accordance with Section V. Resident agrees to pay the cost of refurbishing the vacated Independent Living Apartment for resale. Resident's old Entrance Fee will be reduced to the new Entrance Fee and the new Entrance Fee will continue to amortize at the original schedule in accordance with Section V until termination of this Agreement.

- (h) In the event Resident terminates this Agreement and moves out of The Knolls at Goshen and then, before Sponsor refunds Resident's Entrance Fee, Resident decides to move back in, Resident may do so by paying all unpaid amounts, if any, due Sponsor at the time Resident terminated the Agreement, plus the Monthly Fee for all months beginning with the month following the effective termination date and ending on the date Resident moves back in, plus accrued interest computed at the prime rate of M&T Bank, compounded monthly. In the event Resident terminates this Agreement and receives a refund of the Entrance Fee and then wishes to move back to The Knolls at Goshen, former Resident must reapply for admission under the same procedures as any new person seeking admission.

SECTION XII TERMINATION BY SPONSOR

- (a) Sponsor may, upon notice and opportunity to cure as hereinafter provided, revoke Resident's right to reside at The Knolls at Goshen and terminate this Agreement upon the occurrence of any of the following events ("Default"):
- (1) Failure of Resident to pay the Entrance Fee as required by Section V(a) or the Monthly Fee as required by Section V(c).
 - (2) Resident has willfully mismanaged assets needed to pay the balance of the Entrance Fee or Monthly Fee. If it appears to the Sponsor that the resident has mismanaged assets the facility will request updated financial documents, dating back five years, to help determine if mismanagement did occur. If after review of this documentation it appears

mismanagement did occur a decision will be made by the CEO of the Sponsor whether or not to terminate the Residency Agreement.

- (3) Repeated failure of Resident to comply with all covenants and agreements of Resident contained in this Agreement which interfere with the health, safety or welfare of Residents of the Community; or a material misstatement or omission, or a material breach of any representation, made by Resident in this Agreement or in Resident's Confidential Data Application or during the application process. After two years from the date Resident signs this Agreement, no misstatements, except fraudulent misstatements, made by Resident in filling out the application for admission shall be used to invalidate any of Sponsor's obligations under this Agreement.
- (b) In the event of any such Default of Resident, Sponsor shall by certified mail give Resident notice in writing of such Default and Resident shall have thirty (30) days thereafter within which to correct such Default. If Resident corrects such Default within such time, this Agreement shall not be terminated. If Resident fails to correct such Default within such time, this Agreement shall terminate at the expiration of such thirty (30) days and an Entrance Fee Refund, if any, will be made in accordance with Section V(b)(1)(d), Section V(b)(1)(f) and Section V(b)(2). If Resident's Agreement is terminated, Resident leaves The Knolls at Goshen and Resident subsequently cures the reason for termination, former Resident must reapply for admission under the same procedures as any new person seeking admission.

SECTION XIII DISPUTES

It is possible that disputes will arise regarding any of the matters listed below.

- (a) Resident, if Resident is competent, or, if Resident is not competent, Resident's representative or Resident's attending physician, disagrees with the opinion or determination of the Medical Director as to the transfer of Resident:
 - (1) From Independent Living Apartment to Enriched Housing Apartment or back;
 - (2) From Independent Living Apartment to the nursing home or back;
 - (3) From Enriched Housing Apartment to the nursing home or back;
 - (4) From The Knolls at Goshen or the nursing home to another institution or back;

Resident disputes the determination that a Default has occurred which warrants termination under Section XII.

In any such case described above, the matter shall be referred to the Executive Director of Sponsor.

- (b) In reviewing the circumstances relating to any such dispute, the Executive Director will review any written policies or procedures established by Sponsor, consult with (1) the Chief Executive Officer of the Sponsor; (2) the Medical Director; (3) Resident, if he or she is competent, or, if he or she is not competent, with Resident's representative; (4) Resident's attending physician, if appropriate; (5) the Residents Association, if appropriate; (6) such other independent physicians, nurses and other health care professionals as the Chief Executive Officer of the

Sponsor may deem under the circumstances appropriate or required by applicable law or regulation; and (7) legal counsel. The Executive Director shall then prepare a report of his or her findings and submit the report to the Chief Executive Officer of the Sponsor.

- (c) Resident (or Resident's representative) and Sponsor shall each have the option in any dispute to include the Residents Association as an advisor to both Resident (or Resident's representative) and the Board of Directors. The Residents Association shall not be involved over the objection of Resident.
- (d) After considering all relevant factors, the Chief Executive Officer shall decide the dispute and inform Resident and Resident's representative(s), in writing, of the right to appeal to the Board of Directors of Sponsor. The Board's decision shall be final. Any decision of the Board is subject to judicial review.

SECTION XIV MISCELLANEOUS

- (a) No changes in the scope of care or services shall be valid unless approved by the Superintendent of Financial Services and the Commissioner of the Department of Health, and Sponsor provides Resident with notice at least sixty (60) days prior to the effective date of the change.
- (b) If any condition, restriction or other provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such condition, restriction or other provision to persons or circumstances other than to those as to which it is held invalid or unenforceable shall not be affected thereby and each condition, restriction or other provision shall be valid and be enforced to the fullest extent permitted by law.
- (c) Sponsor shall construe all the provisions of this Agreement and shall determine all disputed matters in a manner consistent with the ideals set forth in the Recitals. Neither the Board of Directors of Sponsor nor management shall be liable for actions taken and decisions made in good faith and without malice. Nothing in this Agreement shall limit a Resident's right to judicial review.
- (d) This Agreement shall be interpreted according to the laws of the State of New York without regard to conflict of laws provisions.
- (e) This Agreement has been executed on behalf of Sponsor by its duly authorized agent, and no officer, director, agent or employee of Sponsor shall have any personal liability hereunder to Resident for the performance or failure to perform by Sponsor under any circumstance.
- (f) No act, agreement, or statement of Resident or of an individual purchasing care for Resident under any agreement to furnish care to Resident shall constitute a valid waiver of any provision of Article 46 of the Public Health Law or of any regulation intended for the benefit or protection of Resident or the individual purchasing care for Resident.

**SECTION XV
DISCLOSURE BOOKLET**

I have been provided with a copy of the Disclosure Statement and the Type C Residency Agreement, which set forth and explain the rights, duties and responsibilities of Sponsor, Sponsor’s employees and agents, including the Medical Director, and the Resident. I have read and understand these documents and have had an opportunity to review them with an attorney, financial advisor or other representative of my choice.

I hereby appoint the following individual(s) as my representative(s) to act on my behalf in all situations where participation of a representative is described in the Disclosure Statement or Type C Residency Agreement. Representatives shall act jointly, unless otherwise indicated. In the event of a disagreement among the representatives, the decisions of the first named representative shall control. Sponsor agrees that I may change my representative at any time.

Representative’s Name

Representative’s Name

Representative’s Address

Representative’s Address

Representative’s Telephone Number

Representative’s Telephone Number

**SECTION XVI
SIGNATURES**

In witness whereof, the parties hereto have executed this Agreement on this _____ day of _____, _____.

Resident

Resident

Witness

Witness

By: _____
For The Knolls at Goshen

**Exhibit A
Resident's Right of Rescission**

I _____ signed a Type C Residency Agreement on _____ . I have changed my mind and hereby notify Sponsor that I wish to rescind the Agreement. I understand that my deposit will be returned and that I am releasing the apartment I reserved for resale to another other resident and am giving up all other rights I may have under the Type C Residency Agreement.

Signed

Date

Signed

Date

Apartment No.

THE KNOLLS AT GOSHEN

Date Received by Sponsor

Receipt Acknowledged For Sponsor

**Exhibit B
Costs to be Incurred at Request of Resident**

Resident requests the following additional features/services at the additional cost indicated:

Feature/Services Requested	Cost	Resident Initials
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Resident understands and agrees that any alterations, customizations or improvements (“improvements”) to the Independent Living Apartment are subject to the prior written approval of management of The Knolls at Goshen. If such improvements are made at the request of Resident, and the Resident vacates the Independent Living Apartment, if a new resident for such Independent Living Apartment does not wish to have such improvements, the Resident is responsible for restoring the Independent Living Apartment back to its original state.

Signature

Date

Signature

Date

Apartment No.

THE KNOLLS AT GOSHEN

Signature

Date