Wesley Enhanced Living™
Pennypack Park

EVANGELICAL MANOR
d/b/a Wesley Enhanced Living Pennypack Park
8401 ROOSEVELT BOULEVARD
PHILADELPHIA PA 19152

ANNUAL DISCLOSURE STATEMENT

04.30.2026
For FY ending December 31, 2025

THIS DISCLOSURE STATEMENT IS BEING DISTRIBUTED PURSUANT TO THE CONTINUING CARE PROVIDER REGISTRATION AND DISCLOSURE ACT OF JUNE 18, 1984 (P.L. 391, NO. 82). THE ISSUANCE OF A CERTIFICATE OF AUTHORITY BY THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT OF THE EVANGELICAL MANOR CONTINUING CARE FACILITY BY THE INSURANCE DEPARTMENT, NOR IS IT EVIDENCE OF, NOR DOES IT ATTEST TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET OUT IN THE DISCLOSURE STATEMENT.

EVANGELICAL MANOR
d/b/a Wesley Enhanced Living Pennypack Park

DISCLOSURE STATEMENT

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Summary of Disclosure Statement

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park Board of Directors is elected by Evangelical Services for the Aging, a Pennsylvania non-profit corporation, and serves as the corporate member. Evangelical Manor also has a historical relationship with the Eastern Pennsylvania Conference of the United Methodist Church. Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park is accredited by the United Methodist Association of Health and Welfare Ministries as an EAGLE facility (Educational Assessment Guidelines Leading toward Excellence). The following is a summary of information presented in this Disclosure Statement:

1. **The Facility**: Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park 8401 Roosevelt Boulevard, Philadelphia, PA 19152

2. **The Provider**: Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park, 8401 Roosevelt Boulevard, Philadelphia, PA 19152

3. **Admissions**: Independent and Personal Care admissions: Mandi Kayros, Sales Manager, Evangelical Manor d/b/a Wesley Enhanced Living, 8401 Roosevelt Boulevard, Philadelphia, PA 19152, (215) 624-5800, extension 306. For skilled nursing and rehabilitation admissions: Dorian Burton, Health Care Transition Manager at 267-348-3352

4. **Current Capacity**: Pennypack "P" building consists of 25 1-bedroom and 25 2-bedroom apartments. Manor "M" building consists of 10 studios, 25 1-bedrooms and 5 2-bedroom apartments. Roosevelt "R" building contains the 120-bed skilled nursing center on the first two floors and the Personal Care neighborhood on the third floor which is made up of 19 studios and 2 1-bedroom apartments. The buildings are made up of four and five story structures and are interconnected. Evangelical Manor is located on 12.5 acres in an urban setting.

5. **Affiliations**: Evangelical Manor maintains a historical relationship with the Eastern Pennsylvania Conference of the United Methodist Church.

6. **Mission Statement**: To make a compelling difference in the lives of our residents through providing excellence and innovation in aging services.

INTRODUCTION

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park is a continuing care retirement community, which is located at 8401 Roosevelt Boulevard, Philadelphia, Pennsylvania. Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park is incorporated as a Pennsylvania not-for-profit corporation with its principal office at the same address. Evangelical Services for the Aging, a Pennsylvania non-profit corporation, elects the Directors of Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park. Evangelical Services for the Aging is dedicated to planning, researching and implementing programs and services for older adults. Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park maintains a historical relationship with the Eastern Pennsylvania Conference of the United Methodist Church although both organizations are independent legal entities. The Eastern Pennsylvania Conference of the United Methodist Church, Evangelical Services for the Aging and Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park are not responsible for the financial or contractual obligations of each other.

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park is exempt from the payment of federal income tax under Internal Revenue Code Section 501(c)3.

The Board of Directors of Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park has full authority to manage and control the business and affairs of the community. The officers and directors of Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park serve on a voluntary basis and receive no remuneration for their activities related to the Manor. The names and business addresses of each officer and director are attached as Exhibit A.

In 2025, Wesley Enhanced Living welcomed Anda Durso as Executive Director of its Pennypack Park location. Anda succeeded Michael DeStefon, who took on the new role of Chief Operating Officer for the organization. Anda Durso comes to Wesley Enhanced Living with 22 years of experience as a Personal Care Administrator, and 10 years' experience as a Nursing Home Administrator. She has an MBA, with a concentration in Health Administration from Temple University and a Bachelor of Arts, with a major in Psychology and a minor in Health Administration from LaSalle University. She is a Licensed Nursing Home Administrator and a Licensed Personal Care Administrator in Pennsylvania.

DESCRIPTION

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park occupies approximately twelve and one half (12½) wooded acres of land adjoining Pennypack Park in Northeast Philadelphia with 90 Independent Living units, 50 licensed Personal Care beds, and 120 licensed Skilled Nursing beds that are located in three (3) interconnected buildings. The central dining room, bistro, lounges, reception rooms, meditation chapel, auditorium, educational and creative workshops, beauty and barber shops are conveniently located under one roof; Administrative offices are located in the main building. Physical, occupational and speech therapy, along with additional health services, are offered on site.

ACCREDITATION

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park is accredited as an EAGLE (Educational Assessment Guidelines Leading toward Excellence) facility by the United Methodist Association of Health and Welfare Ministries.

FEES

Individuals entering the independent living level at Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park are required to pay a one-time entrance fee and a recurring monthly fee based upon a daily charge for the size and type of apartment occupied. It is expected that the periodic fees will be increased annually to cover increases in the cost of providing services to the residents. Residents will be given at least 30 days advance notice of any increase in periodic fees, in accordance with the Residency and Care Agreement. The following are the 2025 Entrance Fees and daily charges, by apartment size.

DESCRIPTION	ENTRANCE FEES		MONTHLY FEES	
M Building	**Single**	**2nd Person**	**Single**	**Double**
Studio (without Kitchenette)	10,000	Not applicable	1,587	Not applicable
Studio (with Kitchenette)	20,000	Not applicable	1,587	Not applicable
1 Bedroom	30,000	Not applicable	2,161	2,929
2 Bedroom	45,000	Not applicable	2,589	3,357
P Building	**Single**	**2nd Person**	**Single**	**Double**
1 Bedroom	79,000	10,000	2,460	3,228
2 Bedroom	110,000	10,000	2,940	3,708

SERVICES

Residents are provided with monthly dining points for meals, outlined in the contract, maintenance and housekeeping of the apartment and common areas; linens and laundering for personal care and nursing services residents; 24-hour security and an emergency call system. The cost of utilities (except telephone and internet) is included in the fees. A full description of the services provided as part of the fees is contained in sections 1 and 2 of the Residency and Care Agreement.

Music recitals, lectures, educational programs, worship services, wellness programs, transportation to shopping centers, club activities and bus excursions to Center City Philadelphia concerts and plays are offered to residents. There may be a charge for certain bus excursions. Public transportation is readily available just outside the main building.

Residents who require personal care services are given priority admission to the Personal Care unit and pay the then current daily rate. Residents who require nursing care are given priority admission to a bed in the skilled nursing facility. Residents admitted to the skilled nursing facility pay the then current daily rate. Details concerning transfer to the personal care unit or skilled nursing facility are included in the Residency and Care Agreement.

Related Party Transactions Prohibition

No officer, director, trustee or employee of the Provider has an interest in any entity which is presently intended to provide or will provide goods, leases or services to the Facility. It is the policy of the Provider that no officer, director, trustee or employee shall be involved in any relationship with any professional service, firm, association, trust, partnership or corporation which does, will, or may provide goods, leases or services to the Facility.

The Provider, officers, directors, trustees or employees:

a) have not been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; and
b) are not subject to a currently effective injunctive or restrictive order of a court of record, or within the past five years had any State or Federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of relating to business activity or health care, including, without limitation, actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under the Act or a similar act in another state.

FINANCIAL STATEMENT INFORMATION

Audited financial statements for the FYE 2025 are attached as Exhibit E. If you have any questions regarding the financial statements, please contact the Executive Director, Chief Financial Officer or your own financial advisor.

EXHIBIT A

2025 BOARD OF DIRECTORS

Jeff Petty, Chairman
President and CEO

Shelley Ballet
Senior Vice President Marketing & Sales

Mike DeStefon
Chief Operating Officer

2026 BOARD OF DIRECTORS

Jeff Petty, Chairman
President and CEO

Gabe Lotman, CFO, Vice Chairman

Anda Durso, NHA, Executive Director

Wesley Enhanced Living™
Pennypack Park

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DEFINITIONS OF WORDS AND PHRASES

ADDITIONAL OCCUPANT: An individual who, after you take Occupancy, applies and is accepted for admission to Community to occupy the Residence as a Co-Resident.

ANCILLARY FEE SCHEDULE: Community's publication reflecting current charges for ancillary services rendered by Community.

APPLICATION FOR ADMISSION: The application submitted to Community by those individuals seeking admission to Community.

CONDITIONS OF OCCUPANCY: The health, safety and related requirements for continued Occupancy of the Residence.

CO-RESIDENT: One of two individuals who signs a residency agreement to initially occupy one residence.

DESIGNATED OCCUPANCY DATE: The date designated by Community for you to accept Occupancy, unless the Residence is occupied earlier.

DOUBLE OCCUPANCY: Two individuals initially residing in a residence as Co-Residents.

DOUBLE OCCUPANCY FEE: The fee for an Additional Occupant of the Residence. This charge is added to the Monthly Fee.

ENTRANCE FEE: The initial charge for admission to the Community. The amount of the Entrance Fee is based on the model of the Residence.

HEALTH CENTER: The licensed nursing care facility of Community**.**

MEDICAL DIRECTOR: The physician(s) designated by Community to supervise the medical affairs of Community and residents.

MONTHLY FEE: The monthly charge for Occupancy of the Residence and services provided to you.

OCCUPANCY: The right of possession and use of the Residence.

PERSONAL CARE SERVICES: Assistance with or supervision in activities of daily living and/or instrumental activities of daily living in exchange for an additional charge.

RESIDENCE: The living unit designated under this Agreement for Occupancy by you.

RESIDENT HANDBOOK: Community's publication reflecting the rules, regulations, policies and procedures of the Community. You are obligated to comply with our rules, regulations, policies and procedures reflected in this publication. The Resident Handbook should not be construed as a contract. It does not grant any contractual rights to you, and it is subject to change from time to time.

ROUTINE NURSING CARE SERVICES: The level of Routine Nursing Care Services provided in the Health Center in exchange for an additional charge. The following types of services are not included in routine nursing care: one-on-one companion or CNA services when required by your care plan; care for certain high acuity conditions, such as ventilator dependent care; dialysis services; treatment for drug and alcohol conditions; or psychiatric care. Generally, services not included in routine nursing care are not available at the Health Center; and, if such services become or are available, then such services are only provided for an additional fee.

SEPARATELY LICENSED DISTINCT PART OF THE COMMUNITY: The part of the Community licensed exclusively for the provision of Personal Care Services.

SINGLE OCCUPANCY: One individual initially residing in a residence.

SURRENDER: To cease Occupancy of the Residence, to remove all possessions from it, and return all keys for it.

EVANGELICAL MANOR D/B/A WESLEY ENHANCED LIVING PENNYPACK PARK

RESIDENCY AGREEMENT

THIS RESIDENCY AGREEMENT (called "Agreement"), made this th day of , _____, between Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park (called "Community" and referred to by the words "we," "us" and "our") and _____ (called "Resident" and referred to by the words "you" and "your", and when two individuals sign this Agreement for Double Occupancy, they are called collectively "Resident," "you" and "your" where the context permits, and individually "Co-Resident") for admission of Resident to the Community for Occupancy of Apartment # (called "Residence").

RECITALS:

We operate a continuing care retirement community providing Routine Nursing Care Services, Personal Care Services and residential living; and,

You have applied for admission to occupy the Residence; and,

We have reviewed and accepted your Application for Admission subject to the execution of this Agreement, and you have designated the above Residence for Occupancy.

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, we and you agree as follows:

SECTION 1: RESIDENCE AND FACILITIES

1.1 Residence and Term. We shall provide you with the Residence, common facilities and services specified in this Agreement, beginning on the Designated Occupancy Date or actual date of Occupancy, whichever is earlier, and continuing until the termination of this Agreement.

1.2 Furnishings. We shall provide the appliances identified on Exhibit "A". All other furnishings shall be provided by you at your expense.

1.3 Optional Appliances. You may request optional appliances, furnishings, or services at your additional expense and subject to our approval. Optional furnishings, appliances or services are not included in the Entrance or Monthly Fee. If requested prior to Occupancy, the cost of any optional/additional furnishings/appliances shall be paid on or before the Designated Occupancy Date or prior to Occupancy, whichever is earlier. If requested after Occupancy, the costs for any optional/additional furnishings/appliances shall be paid at our discretion, prior to or at the time of installation. Upon installation all additional/optional furnishings and appliances immediately become our property and shall remain in the Residence after the termination of this Agreement. An addendum to this Agreement reflecting all optional or additional items and their cost shall be signed by you and us.

1.4 Structural Changes, Upgrades, Additions and Redecoration. Any structural or physical change of any kind or redecoration within the Residence may be made only after submitting a written request to and obtaining written approval from us. The cost of any redecoration or structural change requested by you shall be paid by you unless otherwise agreed in writing by us. The selection of a contractor for structural changes shall be made by us. Any changes or redecoration to the Residence shall become our property. The cost of any structural changes or redecoration shall not be refunded to you, and shall not be applied to the Entrance Fee or be subject to amortization. At our request, you will be required to return the Residence to its original condition at your expense. An addendum to this Agreement reflecting all structural changes and their cost shall be signed by you and us, if applicable.

1.5 Common Facilities. You may use in common with others the dining rooms, social and recreational facilities, library, barber/beauty shop, grounds, and other facilities provided by us for everyone in accordance with our policies, which are subject to change from time to time at our discretion.

1.6 Personal Care Services. We shall make available Personal Care Services in the Separately Licensed Distinct Part of the Community on a priority access basis in accordance with our policies. Priority access is conditioned on you satisfying the financial and all other requirements for admission.

1.7 Health Center. We shall make available Routine Nursing Care Services in the Health Center on a priority access basis in accordance with our policies. Priority access is conditioned on you satisfying the financial and all other requirements for admission.

1.8 Designated Occupancy Date. We expect that the Residence will be available for Occupancy on or about (contract date) (the "Designated Occupancy Date"). If the Residence is available for Occupancy before the Designated Occupancy Date, you may take possession on the first available date. The obligation to pay the Monthly Fee shall begin on the date of the execution of this Agreement. The Entrance Fee must be paid in accordance with the schedule specified in Section 4.1 of this Agreement, and paid in full prior to Occupancy.

SECTION 2: SERVICES

2.1 Utilities. We shall provide certain utilities depending upon the Community chosen by you for residency. The utilities provided by the Community and included in the Monthly Fee are identified on Exhibit "B", attached to this Agreement.

2.2 Assessments. Property taxes are included in the Monthly Fee.

2.3 Telephone. We shall provide your Residence with access to telephone service. All telephone service charges, including connection charges, are not included in the Monthly Fee and shall be paid by you.

2.4 Cable Television and Housekeeping Services. Basic cable television and housekeeping services are available in accordance with the terms and conditions of the Addendum for Cable Television and Housekeeping Services attached to this Agreement as Exhibit "C".

2.5 Dining Program. Resident and Co-Resident (if applicable) are provided a monthly allowance of "Dining Points" for meals available through our dining program. The exact amount of Dining Points, and details of the program are reflected in Exhibit E, which is subject to change from time to time. Once the dining points are depleted for the month, further purchases for that month will be billed to the resident's account. At the end of each

month, all remaining points are forfeited and the account is replenished for the next month. Dining Points may not be used for guest or other resident meals. At our option, we may change the specific terms of the Dining Points program. Tray service for minor short-term illness will be provided in your Residence for an additional charge.

2.6 Maintenance and Repair of Equipment. We shall provide necessary repairs, maintenance, and replacement of our property, equipment, fixtures, and appliances, and these services are included in the Monthly Fee. Repairs, maintenance, and replacement of your property and furnishings shall be your responsibility and are not included in the Monthly Fee. Maintenance and repair of our property, equipment or appliances necessitated by your neglect or abuse as we determine, shall be paid by you.

2.7 Maintenance of Grounds. We shall provide groundskeeping, lawn care, lighting on the grounds, and snow removal in accordance with the snow removal policy in the Resident Handbook. These services are included in the Monthly Fee.

2.8 Insurance. We shall provide insurance on our property only and the charge for this insurance is included in the Monthly Fee. You are responsible to obtain and maintain personal property insurance in an amount sufficient to cover the loss of your personal property.

2.9 Administration. We shall provide administrative support services to implement the provisions of this Agreement. Administrative services are included in the Monthly Fee.

2.10 Transportation. Limited transportation service for shopping is provided consistent with the schedule established by us in accordance with the policy set forth in the Resident Handbook, which is subject to change from time to time. This limited scheduled transportation service is included in the Monthly Fee. Other transportation services such as to medical appointments, airports, and other destinations are available at an additional charge.

2.11 Activities. We, in our discretion, shall provide recreational, educational, and social activities. Access to, participation in, and fees, if any, associated with activities are governed by our policy, which is subject to change from time to time.

2.12 Additional Miscellaneous Services. Other miscellaneous services, such as barber/beauty services, are available at an additional charge and are not included in the Monthly Fee. The charges for these services are reflected on the Ancillary Fee Schedule, which is subject to change from time to time.

2.13 Changes in Services or the Delivery of Services. We reserve the right to add or reduce services and will provide thirty (30) days advance notice of any changes in services. We also reserve the right to unbundle services currently included in the Monthly Fee, to alter the Monthly Fee accordingly and to charge a separate fee for the unbundled services. We will provide thirty (30) days advance notice of any unbundling of services.

SECTION 3: NURSING CARE AND PERSONAL CARE SERVICES

3.1 The Health Center and Personal Care Services. We shall make available Routine Nursing Care Services in the Health Center and Personal Care Services licensed by the Commonwealth of Pennsylvania in the Separately Licensed Distinct Part of the Community. We shall make available to you on a priority access basis in accordance with our policies, and at an additional charge, Routine Nursing Care Services in the Health Center or Personal Care Services in the Separately Licensed Distinct Part of the Community for temporary or permanent illnesses. You shall sign an admission agreement upon transfer to the Health Center or Separately Licensed Distinct Part of the Community for the provision of Personal Care Services, which agreement(s) shall supplement the terms of this Agreement. In the event that there is insufficient space available in the distinct part of the Community for Personal Care Services or the Health Center at such times as you may require Personal Care Services or Routine Nursing Care Services, then we may transfer you to an outside facility selected by you for a temporary period until such time as a nursing bed or personal care room becomes available. The transportation charges for transfer to an outside facility and the related charges for such care provided to you are not included in this Agreement and shall be your responsibility.

3.2 Response Call System. We shall equip your Residence with a twenty-four (24) hour response call system. We do not provide Emergency Medical Services (EMS) or Emergency Medical Technicians (EMT). In the event of a medical emergency, you are required to contact 911 to obtain medical assistance. While the response call system may be used to inform us of a medical emergency, we disclaim any and all responsibility for providing emergency medical care services in your Residence. If you utilize the response call system

in such an emergency, we will call 911 on your behalf.

3.3 Private Duty Nursing or Companion Services in the Residence. Subject to the approval of the Community, you may utilize the services of private duty nurses or companions providing personal or nursing care services in the Residence so long as you are able to satisfy the Conditions of Occupancy, which are attached to this Agreement as Exhibit "D". Such services must be approved in advance and in writing by us. We reserve the right to review credentials of all nurses and companions, to approve or prohibit the use of or to require the discontinuation of such services. You are responsible to pay for all such services. As a condition of our approval, all private duty nurses or companions must provide us with an appropriate release and indemnification agreement, proof of workers' compensation and liability insurance, as well as proof that such nurses or companions are free of tuberculosis and/or any other contagious or communicable disease, and are subject to a criminal background check. To the extent required, you shall confirm that any approved private duty nurse, companion, or attending individual has workers' compensation insurance coverage. In the absence of such coverage, you are required to provide workers' compensation insurance to the extent required by law. Services of private duty nurses, nurse assistants or companions may be used so long as you are able to satisfy the Conditions of Occupancy. In exchange for our consent to your request for the services of a private duty nurse, companion, or other assistant, you shall execute, if requested by us, a Supportive Services Addendum. We reserve the right to terminate your authorization to utilize the services of private duty nurses, nurse assistants or companions in the event that you do not comply with the requirements of this Section or the Supportive Services Addendum, or require transfer to another level of care. If transfer to another level of care is required, then we reserve the right to transfer you to another level of care within the Community or to such other external care facility as we deem appropriate.

3.4 Hospitalization. We do not provide hospital or acute care. We will assist, if requested, in making arrangements for your prompt transfer to a hospital on order of a physician. The charges for ambulance or emergency transportation for transfer to a hospital or other acute care provider and the charges for such hospitalization and acute care are not included in this Agreement and shall be your responsibility.

3.5 Accident or Illness Away from Community. In the event you suffer an accident or illness while away from Community, and you rely on health care and support services available in the area where the accident or illness occurred, your health insurance or other personal resources available to you must be used for payment for such services.

3.6 Limitations on Care. Our facilities are not equipped to care for persons who are afflicted with uncontrolled or untreated mental illness resulting in behavior contrary to the Conditions of Occupancy, active alcohol or drug abuse, or who require specialized psychiatric care or other specialized care services not authorized or permitted under the applicable licensure regulations. If we determine that your behaviors, conduct, actions or omissions are such that your continued presence in the Community is either dangerous or detrimental to the life, health, or safety of you or other residents, or the peaceful enjoyment of Community by other residents, we may transfer you to an appropriate outside care facility. Our determination shall be made in writing and signed by the Medical Director and the Administrator or other designee of Community. If the transfer is for a temporary period, then you shall continue to pay the applicable Monthly Fee and also shall be responsible to pay for the charges for your care in such other facility. If the transfer is to be permanent, then the termination provisions of this Agreement shall apply, except in cases of Double Occupancy where only one Co-Resident is transferred, and except that only such notice of termination as is reasonable under the circumstances shall be given in any situation where you are a danger to self or others, or to the health, safety or peace of other residents of Community.

3.7 Costs for Nursing Care and Personal Care Services.

3.7(a) Personal Care and Nursing Care Services. We shall make available Personal Care Services in the Separately Licensed Distinct Part of the Community or Routine Nursing Care Services in the Health Center. The costs of Personal Care Services and Routine Nursing Care Services are at an additional charge and are not included in the Monthly Fee, and you shall be responsible to pay the charges and costs for Personal Care Services in the Separately Licensed Distinct Part of the Community or Routine Nursing Care Services in the Health Center, and for all other health and related services. We reserve the right to determine, from time to time, the scope and extent of services provided in the Separately Licensed Distinct Part of the Community. Certain higher acuity or higher level of care services, such as ventilator dependency care, may not be available in the Health Center.

3.7(b) Rates for Personal Care and Nursing Care Services. You shall be responsible to pay the rates for Personal Care Services received in the Separately Licensed Distinct Part of the Community or Routine Nursing Care Services received in the Health Center as established by the Community and reflected on our Ancillary Fee Schedule attached to this Agreement. A description of the Personal Care Services and Routine Nursing Care Services

covered by and included in the rates and ancillary services not covered by or included in the rates is contained on our Ancillary Fee Schedule, which is subject to change from time to time.

3.7(c) Ancillary Services. All ancillary services, which generally are reflected on our Ancillary Fee Schedule, are not included in the rates and are provided at an additional charge.

3.7(d) Residence Reservation Charges Upon Transfer. You shall pay, in addition to the then current rates for Personal Care Services or Routine Nursing Care Services as reflected on the Ancillary Fee Schedule and any charges for ancillary or related services, the charges for reserving the Residence as described below.

3.7(e)(i) Temporary Transfer/Single Occupancy. During any period of temporary transfer, you shall be charged and shall pay the rates for Personal Care Services or Routine Nursing Care Services and any other additional charges for ancillary or miscellaneous services in the Separately Licensed Distinct Part of the Community or the Health Center, and shall continue to pay the then current applicable Monthly Fee for reservation of your Residence. There will be no reduction in the Monthly Fee upon temporary transfer to the Separately Licensed Distinct Part of the Community or the Health Center. We reserve the right to declare the transfer permanent at any time in accordance with Section 7.2 of this Agreement.

3.7(e)(ii) Temporary Transfer/Double Occupancy. During any period of temporary transfer, the Co-Resident transferred to the Separately Licensed Distinct Part of the Community or the Health Center shall be charged and both Co-Residents shall collectively be responsible to pay the then current rates for Personal Care Services or Routine Nursing Care Services, and any other additional charges for ancillary or miscellaneous services. The Co-Resident remaining in the Residence shall be charged and both Co-Residents shall collectively be responsible to pay the Monthly Fee for Double Occupancy. In situations where one Co-Resident temporarily transfers to the Health Center, this provision shall not be construed as a third party guarantee nor shall it impair such Co-Resident's eligibility for Medicare or Medical Assistance benefits. In the event both Co-Residents are temporarily transferred, both Co-Residents shall be charged and shall collectively be responsible to pay the rates for Personal Care Services or Routine Nursing Care Services and any additional charges for ancillary or miscellaneous services in the Separately Licensed

Distinct Part of the Community or the Health Center, and collectively shall be charged and shall pay the then current Monthly Fee for Double Occupancy. We reserve the right to declare any transfer permanent at any time in accordance with Section 7.2 of this Agreement.

3.7(e)(iii) Permanent Transfer/Single Occupancy. Upon your permanent transfer to the Separately Licensed Distinct Part of the Community or the Health Center and Surrender of the Residence, the obligation to pay the Monthly Fee shall cease, and you shall pay only the rates for Personal Care Services or Routine Nursing Care Services and the other additional charges for ancillary or miscellaneous services.

3.7(e)(iv) Permanent Transfer/Double Occupancy. At the time one Co-Resident is permanently transferred to the Separately Licensed Distinct Part of the Community or the Health Center, the Monthly Fee for the Residence shall be reduced to the Monthly Fee for Single Occupancy. The Co-Resident in the Separately Licensed Distinct Part of the Community or the Health Center shall be charged and both Co-Residents shall collectively be responsible to pay the applicable rates for Personal Care Services or Routine Nursing Care Services and any additional charges for ancillary or miscellaneous services, and the Co-Resident remaining in the Residence shall be charged and both Co-Residents shall collectively be responsible to pay the Monthly Fee for Single Occupancy. In situations where one Co-Resident permanently transfers to the Health Center, this provision shall not be construed as a third party guarantee nor shall it impair such Co-Resident's eligibility for Medicare or Medical Assistance benefits. In the event both Co-Residents are permanently transferred to the Separately Licensed Distinct Part of the Community or the Health Center, both Co-Residents shall be charged and shall collectively be responsible to pay the rates for Personal Care Services or Routine Nursing Care Services and any other additional charges for ancillary or miscellaneous services. The obligation to pay the Monthly Fee shall cease upon permanent transfer of both Co-Residents and Surrender of the Residence.

3.7(f) Liability for Health Care Services. A resident shall not be liable to a health care provider for services rendered under this Agreement if the health care services rendered are services which the Community agreed to furnish to a resident in consideration of the resident's payment of entrance and periodic fees. No future health care services are covered by your payment of the Entrance Fee or Monthly Fee.

SECTION 4: FEES

4.1 Entrance Fee. The amount of the Entrance Fee is based on the type of Residence selected. You shall pay to us the sum of $_____ [____ initials] as an Entrance Fee in accordance with the following schedule.

4.1(a) Reservation Fee. You shall pay a reservation fee in the amount of $1,000 at the time of submitting your Application for Admission and reserving your Residence. The reservation fee shall be applied as a credit toward the Entrance Fee payment explained in Section 4.1(b) below.

4.1(b) Entrance Fee Payment. You shall pay to us an Entrance Fee payment in the amount of $_____ [____ initials] at the time of signing this Agreement.

4.1(c) Balance of Entrance Fee. You shall pay to us the balance of the Entrance Fee on the Designated Occupancy Date or upon Occupancy, whichever is earlier.

4.2 Amortization of Entrance Fee. The Entrance Fee shall be amortized at the rate of eight point thirty-three percent (8.33%) per month for a period of twelve (12) months beginning on the date of the execution of this Agreement. At the conclusion of the twelve (12) month amortization period, the Entrance Fee shall be earned in full by the Community, and you will not be entitled to a refund of any portion of the Entrance Fee.

4.3 Limitations on Increases in the Entrance Fee. After you sign this Agreement, there will be no increases in the Entrance Fee prior to Occupancy unless required by changes in federal or state assistance programs. Charges for care paid in one lump sum shall not be increased or changed during the duration of the agreed upon care, except for changes required by state or federal assistance programs. In accordance with Section 3.7(f) above, the Entrance Fee and Monthly Fee do not include future health care services. Should you request a change of Residence upon which the initial Entrance Fee was based, an adjustment to the Entrance Fee based upon such change of Residence may be imposed.

4.4 Use of Entrance Fee. The entire Entrance Fee after payment shall be used by us for any corporate purpose and in any manner deemed appropriate by us in our sole and absolute discretion consistent with law. No portion of the Entrance Fee shall be held in

Trust for you, and we assume no fiduciary obligations to you with respect to any amounts paid for admission to, or for continued occupancy of, Community.

4.5 Monthly Fee.

4.5(a) Amount. You shall pay to us a Monthly Fee of $_____ [____ initials], in advance each month for each month of Occupancy of the Residence. In situations of Double Occupancy, the Double Occupancy Fee in the amount of $_____ [____ initials], which is based on the number of occupants, is added to and included in the Monthly Fee. The Monthly Fee is subject to change from time to time.

4.5(b) Payment and Due Date. Payment of the first Monthly Fee is due on the date of the execution of this Agreement. The Monthly Fee shall be pro-rated if you assume Occupancy after the first of the month. You shall receive a monthly invoice on or about the fifteenth (15th) of the month for the upcoming month's Monthly Fee. All Monthly Fee payments, except for the first Monthly Fee payment, are due no later than the first (1st) calendar day of the month. Late fees will be applied on any balance not paid by the due date. If any Monthly Fee or other charges for care or for miscellaneous or ancillary services are not paid within thirty (30) days of the due date, then, subject to our Financial Assistance Policy as described in this Agreement or as it may be periodically revised, we may elect to exercise our available rights and remedies under this Agreement, including termination.

4.5(c) Adjustments in Monthly Fee. The Monthly Fee may be adjusted from time to time. We will provide at least thirty (30) days advance written notice of any changes in the Monthly Fee.

4.6 Other Charges. In addition to the Monthly Fee, the monthly invoice shall reflect all other charges for miscellaneous, ancillary, or other services. Payment for all such other charges is also due at the same time as the Monthly Fee payment is due.

4.7 Co Resident's Fee Responsibility. In situations of Double Occupancy, you shall be jointly and severally liable for each other's financial obligations and for all payments due under this Agreement. If one Co Resident dies or leaves the Community or if this Agreement is terminated as to one Co-Resident for any reason, then both Co-Residents and/or their estates shall remain jointly and severally liable for all financial obligations

incurred by either Co-Resident under this Agreement. In the event one Co-Resident transfers to the Health Center, this provision shall not be construed as a third party guarantee nor shall it impair such Co-Resident's eligibility for Medicare or Medical Assistance benefits.

4.8 Late Charges and Cost of Collection. Any bills unpaid after the fifteenth (15th) day of the month of issue are subject to a late charge of one and one-half percent (1.5%) per month, and you are obligated to pay any late charges. You are obligated to pay all attorneys' fees and costs incurred relative to the collection of any amounts past due in excess of ninety (90) days.

4.9 Disclosure of Financial Information. We reserve the right to require you, upon request, to update the financial information disclosed in the Application for Admission. Disclosure allows us to monitor and project financial assistance needs.

SECTION 5: FINANCIAL ASSISTANCE POLICY

5.1 Inability to Pay. It is our policy not to terminate this Agreement solely because of your inability to pay the Monthly Fee and other charges, so long as you qualify for and we are capable of providing financial assistance. It is your responsibility to demonstrate an inability to meet monthly financial obligations to us. In the event that your income or assets become insufficient to pay for monthly expenses incurred, you shall immediately apply for financial assistance from your family or public welfare agencies, including the Pennsylvania Department of Human Services which administers the Medical Assistance Program (called "MA Program"), which may be in a position to render financial assistance. You are required to apply for, and we shall have the right to apply for and obtain, if you qualify, financial assistance for you from any appropriate governmental agency, including the Pennsylvania Department of Human Services for the payment of Medical Assistance benefits for nursing care services. In the event that you are unable to secure financial assistance and we, in our sole discretion, are financially unable to provide financial assistance, we reserve the right to terminate this Agreement.

5.2 Possible Limitations on Financial Assistance. If no funds are available from any other sources to fulfill your financial obligations under this Agreement, and you adequately demonstrate to us the financial inability to pay the Monthly Fee and other charges; then,

subject to our Financial Assistance Policy expressed herein, which may change from time to time, and the availability of funds, we, upon your request, shall consider you for financial assistance. Although there is no absolute guarantee that a resident who qualifies for consideration for financial assistance will receive any financial assistance, we will endeavor to provide it to the extent reasonably possible without jeopardizing our financial stability or our ability to care for other residents. Our ability to provide financial assistance is contingent upon a number of factors, including the availability of charitable gifts and our financial condition. We retain the absolute discretion to deny requests for financial assistance and to limit the amount of financial assistance.

If we determine that you qualify for financial assistance, then we may provide such assistance as is necessary to enable you to meet the Monthly Fee obligation or other charges, provided that such assistance can be granted or continued without impairing our financial ability to provide housing and care to other residents or our ability to operate or continue on a sound financial basis. If financial assistance is initially granted, there is no guarantee that such assistance can or will continue indefinitely, or for any specific period of time. Our Financial Assistance Policy is subject to many variables, and may be changed from time to time. In the event that you desire to receive Personal Care Services in your Residence, then you shall sign an addendum, which shall supplement the terms of this Agreement. In the event that you desire to move and transfer, or your condition necessitates a move and transfer to the Separately Licensed Distinct Part of the Community for Personal Care Services, then you must meet all the requirements for admission, and sign a separate admission agreement setting forth your obligations. Our Financial Assistance Policy applies only while you occupy the Residence or Separately Licensed Distinct Part of the Community for Personal Care Services. It does not apply to occupancy of the Health Center because financial assistance is available through participation in the MA Program administered by the Pennsylvania Department of Human Services.

5.3 Qualifications for Financial Assistance and Your Obligations. In order to qualify for consideration for financial assistance, your inability to pay the Monthly Fee or other charges must not be the result of any fault, negligence or mismanagement of assets represented to be available by you or others representing you to pay for your financial obligations. Additionally, the financial information provided by you in the application documents for admission, in documents subsequently requested by us, or with your request for financial assistance must not contain any material misrepresentations or omissions. It is your responsibility to look to all other available sources of financial

assistance before making application to us. If your family has adequate resources to provide financial assistance to you, that fact will be taken into consideration in determining whether any financial assistance should be granted by us, and if so, in what amount. We shall be considered the last available resource, after the exhaustion of all other potential sources of financial assistance, for the provision of financial assistance. If you transfer or unreasonably deplete assets or resources represented in the application documents for admission to be available to meet your financial obligations under this Agreement, you shall not be considered for financial assistance. You have an affirmative obligation to apply for financial assistance and to make your financial needs and resources known to us at least one hundred and twenty (120) days in advance of the need for funds.

5.4 Other Resources and Recovery of Community's Subsidy. If you receive financial assistance from us, you shall not sell or otherwise transfer property without our written consent. If you own any property at the time of death not disclosed on your financial statements in the application documents, or acquire property subsequent to the making of such financial statements and do not disclose the acquisition of such property to us, then we shall be entitled to so much of such property, up to the whole value thereof, as is equal in value to the total amount of financial assistance provided to you by us. This Agreement shall operate as an assignment, transfer and conveyance to us of so much of such property, as is equal in value to the total amount of financial assistance provided by us, and the assignment may be enforced against your estate. Your estate shall be liable to us in an amount equal to the amount of any financial assistance provided and accrued interest. The assignment herein shall apply whether or not you are occupying a residence in the Community at the time of your death. You shall cooperate with us, including execution and delivery of instruments and documents, to implement the provisions of this paragraph. Any refund otherwise due should be reduced by the amount of any financial assistance provided by us as discussed in Section 8.2.

5.5 Disclosure of Financial Resources. We may from time to time request from you financial statements and copies of tax returns if you have requested or have received financial assistance from us. You shall comply with such requests made by us. Failure to comply shall result in your disqualification for financial assistance.

SECTION 6: TERMINATION OF AGREEMENT

6.1 Termination by You.

6.1(a) Rescission Period. You may terminate this Agreement within seven (7) days of execution by signing the attached Notice of Right to Rescind and delivering it to us. All payments shall be refunded to you.

6.1(b) Prior to Occupancy. After the lapse of the seven (7) day rescission period, but prior to the Designated Occupancy Date or actual date of Occupancy, whichever is earlier, you may terminate this Agreement by delivering written notice to us prior to Occupancy. In the event of your death, illness, injury or incapacity prior to the Designated Occupancy Date or actual date of Occupancy, whichever is earlier; then this Agreement shall automatically terminate. Any refund due to you shall be paid in accordance with the refund provisions of Section 8 of this Agreement. In situations of Double Occupancy where one Co-Resident is precluded from taking Occupancy due to death, illness, injury or incapacity, the other Co-Resident may elect to terminate this Agreement. If such Co-Resident elects to take Occupancy of the Residence, then the Monthly Fee shall be reduced to the Monthly Fee for Single Occupancy.

6.1(c) After Occupancy. After Occupancy, you may terminate this Agreement by delivery of written notice to us at least sixty (60) days prior to termination, and by the Surrender of the Residence. Termination shall be effective after the lapse of the sixty (60) day notice period and Surrender of the Residence. Any refund due to you shall be paid in accordance with the refund provisions of Section 8 of this Agreement.

6.2 Termination by Us.

6.2(a) Prior to Occupancy. We may terminate this Agreement at any time prior to Occupancy by providing written notice to you prior to the Designated Occupancy Date for your failure to satisfy the Conditions of Occupancy or other cause deemed appropriate by us, or if for whatever reason we elect to discontinue operations. Any refund due to you shall be paid in accordance with the refund provisions of Section 8 of this Agreement.

6.2(b) After Occupancy. We may terminate this Agreement upon a determination of just cause and delivery of thirty (30) days written notice or such written notice as is reasonable under the circumstances to you or your representative. Just cause may include, among other reasons, a default in payment, the submission of any materially false information in the application documents, your failure to abide by our rules, regulations, policies and procedures, the breach of any of the other terms of this Agreement, including a change in the liquidity of your assets, such as the purchase of an annuity that impairs your ability to fulfill timely your current financial obligations to us as explained further below, or a transfer of assets to an irrevocable trust or any other transfer whereby assets disclosed in your Application for Admission are no longer available in whole or in part to pay for your care and services; or a good faith determination in writing signed by our Medical Director and Administrator that your continued Occupancy in the Residence either creates a serious threat or danger to your life, health, or safety or creates a serious threat or danger to the life, health, safety or peaceful enjoyment of other residents or persons in the Community. If you substantially impair your ability to fulfill timely your financial obligations to us due to a change in the liquidity of your assets or a transfer of assets to an irrevocable trust or any other transfer, then we may terminate this Agreement following an opportunity to cure. If you fail to cure or correct the non-compliance within a period as determined by us and to our satisfaction, then we may terminate this Agreement for just cause upon thirty (30) days written notice to you or your representative. In situations where continued Occupancy threatens the life, health, safety or peaceful enjoyment of you or other residents, only such notice as is reasonably practicable under the circumstances will be provided to you or your representative, and termination may be effective immediately. The refund provisions at Section 8 of this Agreement shall apply to terminations for just cause in the same manner as those provisions would apply to any other termination.

6.3 Termination by Death. Following your death, this Agreement shall terminate when the Residence has been surrendered to us. Any refund due to you shall be paid in accordance with the provisions of Section 8. In situations of Double Occupancy, the death of one Co-Resident, either before or after Occupancy, shall not terminate this Agreement, but the Monthly Fee shall be reduced to the Monthly Fee for Single Occupancy, and no refund shall be due at that time.

6.4 Surrender of the Residence. The obligation to pay the Monthly Fee shall continue until after the lapse of any mandatory notice period for termination and the Residence has been surrendered by you, or in the case of death, by your estate or family. Surrender of the Residence shall be complete when you have ceased to occupy it, have removed all

possessions from it, and have turned over the keys for it, to us.

6.5 Further Obligations and Release upon Termination. Upon termination of this Agreement, we are released from any further obligations to you or your estate except for the delivery of personal property as limited by this Agreement, and the payment of any refund, if any refund is due. You or your estate are released from any further obligations to us except for the obligation to pay any sums due under this Agreement, including any indemnification obligations and payment of the Monthly Fee up to the date of Surrender of the Residence. The provisions of Section 4.7 addressing joint and several liability for the financial obligations of Co-Residents and the indemnification provision reflected in Section 15 survive the termination of this Agreement and shall remain in full force and effect.

6.6 Failure to Vacate and Surrender Residence. Upon notice of termination, in the event that you fail to vacate and Surrender the Residence timely, then we may file a complaint with the applicable District Justice seeking an order to evict you from the Residence. You shall be obligated to pay us reasonable attorneys' fees and costs in the event we commence legal proceedings against you to evict you for your non-compliance with or breach of the terms of this Agreement.

SECTION 7: LEVEL OF CARE TRANSFERS OR TRANSFER TO AN OUTSIDE FACILITY

7.1 Conditions of Occupancy. You shall have the right to occupy the Residence for so long as you satisfy the Conditions of Occupancy, which may be subject to change from time to time due to regulatory or related changes in the law, or operating requirements or conditions. You agree to provide appropriate information regarding your ability to meet the Conditions of Occupancy, upon request.

7.2 Decision to Transfer.

7.2(a) Authority to Transfer. We may transfer you from and between the Residence and the Health Center or Separately Licensed Distinct Part of the Community for Personal Care Services, or any other appropriate care facility if we determine that such a move should be made because of your inability to meet the Conditions of Occupancy, for the proper operation of Community, to comply with regulations of the Pennsylvania Department of Human Services, the Pennsylvania Department of Health, local regulations of the Fire

Department, or any other duly constituted authorities or agencies, or otherwise to meet the requirements of law. If you are transferred permanently to the Health Center or Separately Licensed Distinct Part of the Community, or to any other appropriate facility authorized under this Agreement, we may declare the Residence vacant and reassign the Residence to another resident. The decision as to whether a transfer shall be deemed temporary or permanent shall be made by us in our sole discretion and in accordance with subsection (b) of this paragraph. We shall consider your opinion and the advice of a family representative, if available, and, if requested and at your expense, a private physician. Your opinion and the advice of family and your physician are advisory only and shall not be binding on us. Our decision regarding the temporary or permanent nature of any transfer may be made at any time deemed appropriate by us.

7.2(b) Role of Our Medical Director. We will appoint a medical doctor licensed to practice medicine in the Commonwealth of Pennsylvania as our Medical Director. Upon a determination by our Medical Director and multi-disciplinary team that you are no longer capable of satisfying the Conditions of Occupancy of the Residence and are in need of Personal Care Services, Routine Nursing Care Services or related care services, we shall notify you or your next of kin, legal representative or agent acting on your behalf that arrangements shall be made for your immediate transfer to the Separately Licensed Distinct Part of the Community or the Health Center, or other appropriate care facility. If you receive Personal Care Services in your Residence and your needs exceed that care given in the Residence, then you shall transfer to the Separately Licensed Distinct Part of the Community or the Health Center, or external care facility for a higher level of care.

7.3 Transfers Within Our Facilities. If you are no longer able to meet the Conditions of Occupancy, and in the opinion of our Medical Director and multi-disciplinary team, you require Personal Care Services or Routine Nursing Care Services, such care will be available on a priority access basis, consistent with our policies, which are subject to change from time to time, in the Separately Licensed Distinct Part of the Community or the Health Center, either on a temporary or permanent basis. If our Medical Director and multi-disciplinary team determine that your health is such that occupancy in the Separately Licensed Distinct Part of the Community or the Health Center will be permanent, you shall surrender the Residence (if not occupied by a Co-Resident) and remove all personal possessions from it within thirty (30) days of notice of our decision. If your personal property is not removed from the Residence within the thirty (30) day period, we shall have the right to remove such property and store the same at your expense and risk. Personal property remaining in storage or not removed from the Residence within sixty

(60) days following Surrender of the Residence shall become our property.

7.4 Transfer to Hospital or Other Outside Facility. In the event our Medical Director and multi-disciplinary team determine that your condition has deteriorated to the degree that your presence in Community is detrimental to you or to the health, safety or peace of other residents, or you need a higher level of care than provided by us, then we shall transfer you to a hospital or other outside health or nursing care provider. We may declare the Residence vacant (unless occupied by a Co-Resident) if you have been transferred to an outside health, nursing or other Special Service Facility or hospital for health conditions which, in the opinion of the Medical Director, require permanent or prolonged residence in the outside facilities (i.e., generally ninety (90) days or more). You shall Surrender the Residence and remove all personal possessions from the Residence within thirty (30) days after notice of our determination that the transfer will be permanent.

7.5 Costs Related to Transfer to an Outside Facility.

7.5(a) Single Occupancy. During any temporary transfer to a hospital or external care facility, you shall continue to pay the Monthly Fee and additionally all costs and charges related to the transfer to and occupancy of the outside care facility or hospital. Your permanent transfer to an outside care facility, and after Surrender of the Residence, the obligation to pay the Monthly Fee shall end and this Agreement shall terminate. Any refund due shall be paid in accordance with Section 8 of this Agreement. You are obligated to pay the charges for transfer to and occupancy of any outside care facilities including the charges for care in an outside personal or nursing care facility resulting from a transfer because of insufficient space or the unavailability of such care services.

7.5(b) Double Occupancy. During any temporary transfer of one Co-Resident to a hospital or an outside care facility, the Monthly Fee shall continue to be due and payable. Upon the permanent transfer of one Co-Resident to an outside care facility, the Monthly Fee for the Residence shall be reduced to the Monthly Fee for Single Occupancy. In the event both Co-Residents are temporarily transferred to an outside care facility, the Monthly Fee shall continue to be due and payable. In the event both Co-Residents are permanently transferred to an outside care facility, then, after Surrender of the Residence, the obligation to pay the Monthly Fee shall end and this Agreement shall terminate. Any refund due shall be paid in accordance with Section 8 of this Agreement. You shall collectively be responsible to pay all costs and charges related to the transfer to and occupancy of the

outside care facility or hospital, including care in an external personal or nursing care facility resulting from a transfer because of insufficient space or the unavailability of such services.

7.6 Release of or Return to Residence After Transfer.

7.6(a) Temporary Transfer. If you are admitted temporarily to the Separately Licensed Distinct Part of the Community or the Health Center, or a hospital or other outside care facility, with a medical prognosis of recovery and return to health consistent with the Conditions of Occupancy of the Residence, then you shall retain possession of the Residence for the purpose of resuming residency. During any period of temporary transfer to the Separately Licensed Distinct Part of the Community or the Health Center, you shall pay the charges for retaining the Residence set forth in Section 3.7 of this Agreement. During any period of temporary transfer to a hospital or other outside care facility, you shall pay the charges for retaining the Residence set forth in Section 7.5 above. You may return to the Residence at such time as we determine that you can satisfy the Conditions of Occupancy.

7.6(b) Permanent Transfer. If transfer to the Separately Licensed Distinct Part of the Community or the Health Center, or a hospital or other appropriate outside care facility exceeds ninety (90) days, or if at an earlier time we determine that you will not be able to satisfy the Conditions of Occupancy so as to resume residency in the Residence, we shall have the right to declare the Residence vacant (unless occupied by a Co-Resident) and release the Residence to another. You shall Surrender and vacate the Residence within thirty (30) days of written notice of our decision to permanently transfer you and release the Residence. If, in our opinion, you subsequently recover sufficiently to satisfy the Conditions of Occupancy of a residence, we in the exercise of our discretion shall make available as soon as reasonably practicable a residence with a floor plan comparable to the one relinquished. You will have priority access to an available residence over applicants to Community, but will have subordinate access to prospective residents who have already executed a Residency Agreement.

SECTION 8: REFUNDS

Upon termination of this Agreement, the following refund provisions shall apply:

8.1 Termination Before Occupancy. Entrance Fee payments will be refunded in full if you rescind this Agreement within seven (7) days in accordance with the Notice of Right To Rescind. In the event of termination of this Agreement by your death before the Designated Occupancy Date, or in the event you, prior to the Designated Occupancy Date, are precluded from becoming a resident because of illness, injury or incapacity, then we shall make a full refund of all Entrance Fee payments less any amounts deducted to cover expenses incurred by us at your specific written request. In situations of Double Occupancy, if one Co-Resident is precluded from taking Occupancy of the Residence because of death, illness, injury or incapacity, this Agreement shall remain in full force and effect as to the other Co-Resident. If you do not terminate this Agreement within the seven (7) day rescission period but do terminate prior to the Designated Occupancy Date, while not precluded from taking Occupancy by illness, injury, incapacity, or death, your Entrance Fee payments shall be refunded to you, less the reservation fee and any amounts deducted to cover expenses incurred by us at your specific written request. In the event of termination of this Agreement by us prior to the Designated Occupancy Date, we shall make a full refund of all Entrance Fee payments.

8.2 Termination After Occupancy. In the event of termination for any reason during the amortization period, you will be entitled to a refund of the unamortized portion of the Entrance Fee, if any, less deductions for the amount of any financial assistance provided to you by us, and/or any amounts necessary to cover costs incurred by us to refurbish, restore, or repair the Residence in the event of unreasonable wear and tear, and/or costs incurred at your specific request, and/or any unpaid charges. The refund, if any, shall be paid to you or your estate in accordance with Section 8.5. After the lapse of the amortization period, you will not be entitled to a refund of any portion of the Entrance Fee.

8.3 Double Occupancy – Limitation on Availability of Refund. It is the intention of the parties that any applicable refund will only be made in accordance with Section 8.5 after the last surviving Co-Resident vacates and surrenders the Residence, and this Agreement is terminated. In situations of Double Occupancy where one Co-Resident is transferred to the Health Center and becomes eligible for Medical Assistance, no potential future refund shall be available to pay for Routine Nursing Care Services. If, however, the Department of

Human Services construes any potential future refund as an available resource, or if any court, administrative agency, or other appropriate tribunal having jurisdiction determines that Section 8.5 is contrary to law or Medical Assistance eligibility requirements, then we shall make available the amount determined by the Department of Human Services or other appropriate tribunal as an available resource as a refund, and apply such refund to the payment of Routine Nursing Care Services for the particular Co-Resident.

8.4 No Accrual of Interest. No interest will accrue to the benefit of you or your estate on any amounts required to be refunded under this Agreement, and no interest will be paid on termination.

8.5 Conditions and Due Date for Refund Payments. Prior to Occupancy, any applicable refund will be made within sixty (60) days after the termination of this Agreement. After Occupancy, any applicable refund will be made no later than ninety (90) days following the date we receive payment of an entire Entrance Fee for the Residence recently occupied by you from a replacement resident. As long as you, or in the case of Double Occupancy, a Co-Resident, continue to occupy any residence within the Community, including accommodations in the Separately Licensed Distinct Part of the Community for Personal Care Services or the Health Center, no refund shall be due and no refund shall be paid until your death, permanent transfer, discharge or voluntary departure outside Community, or in situations of Double Occupancy, both Co-Residents, and the termination of this Agreement. The amount of any refund due will be calculated by reference to the date of Surrender of your Residence. The amortization of the Entrance Fee, if not fully amortized, shall cease on the effective date of Surrender. Surrender of the Residence shall be complete when you have ceased to occupy it, have removed all possessions from it, and have turned over the keys for it, to us.

SECTION 9: OPTIONAL MOVES TO ANOTHER RESIDENCE

9.1 Requests After Occupancy. After Occupancy, you may request to move to another Residence, if and when another Residence becomes available, in accordance with the terms and conditions set forth in this Section and the policies established by us regarding such moves, which policies are subject to change from time to time. Any request to move to another Residence shall be submitted in writing. All transfers between Residences must be approved by us. We reserve the right to refuse your request to move to another Residence. If we approve your request, you shall be responsible for, and shall pay, the

expenses associated with moving your personal property.

9.2 Costs of Election to Move.

9.2(a) To Residence with Greater Entrance Fee. If you elect and we approve your request to move and the Entrance Fee for the selected Residence is greater than the Entrance Fee you paid for Occupancy of the Residence initially designated under this Agreement, then you shall pay, prior to moving to the selected Residence, a fee equal to the difference between the initial Entrance Fee paid and the higher Entrance Fee in effect at the time of the move. You shall be obligated to pay the applicable Monthly Fee for the selected Residence.

9.2(b) To Residence with Lesser Entrance Fee. If you elect and we approve your request to move and the Entrance Fee for the selected Residence is less than the Entrance Fee you paid for Occupancy of the Residence initially designated under this Agreement, there shall be no additional fee and no refund to you of the difference between the two Entrance Fees. You shall be obligated to pay the applicable Monthly Fee for the selected Residence.

9.2(c) Refurbishing Fee. Following the approval of your election to move, you will be assessed a refurbishing fee in an amount established by us, which is subject to change from time to time. This fee will cover material and labor to refurbish the Residence to its original condition. This work may include, but not be limited to, replacing carpeting, repainting of the Residence, and repairs to cabinets and wood trim.

9.2(d) Amortization of Fees Resulting from Move. Any fees assessed in accordance with Section 9.2(a) shall be amortized at a rate calculated to accomplish full amortization at the conclusion of the amortization schedule initially established pursuant to this Agreement. If the Entrance Fee initially designated under this Agreement has been fully amortized at the time of transfer, the fee assessed in connection with transfer shall be immediately amortized in full.

9.3 Option to Move Addendum. In the event you receive approval from us to move to another Residence, you shall sign an addendum to this Agreement reflecting all costs and

charges related to exercising the option to move, including the Monthly Fee for the selected Residence.

SECTION 10: MARRIAGE AND/OR ADDITIONAL OCCUPANTS

10.1 Non-Resident. In the event that you wish to marry or have another person enter the Community and share your Residence as a Co-Resident, the proposed Additional Occupant must file an Application for Admission and meet all age and other requirements for admission to the Residence. In the event you allow an Additional Occupant to occupy your Residence with you during the term of this Agreement and such Additional Occupant is admitted, then the parties to this Agreement and the proposed Additional Occupant shall execute an addendum so that the Additional Occupant shall become a Co-Resident under this Agreement. Upon the admission of the Additional Occupant as a Co-Resident, the Monthly Fee shall be increased to be equivalent to the Monthly Fee for Double Occupancy. The Additional Occupant and you shall be jointly and severally liable for each other's financial obligations and for all payments due under the addendum and this Agreement as described in Section 4.7 of this Agreement. In the event that the proposed Additional Occupant does not satisfy the requirements for admission, then the proposed Additional Occupant may request admission under such other terms and conditions as may be acceptable to us. If an agreement can not be reached regarding the admission of the proposed Additional Occupant, you may exercise the option to terminate this Agreement in accordance with the termination provisions.

10.2 Existing Resident. In the event that you desire to marry or cohabit with another resident admitted under a separate Residency Agreement, and thereafter occupy a single Residence, then you and the other resident shall select and designate in writing at least sixty (60) days in advance of the proposed move, which one of the two Residences then occupied by you and the other resident shall be thereafter occupied jointly. The Residence not designated for joint occupancy must be surrendered on or before the date of the proposed move to the designated Residence. The Residency Agreements shall be amended to reflect the change in the Residence, any change in the Monthly Fee, and any other matters reasonably necessary for the transfer of the Resident to the designated Residence. Upon transfer to the designated Residence, any refundable and/or unamortized portion of the Entrance Fee paid by the transferring Resident shall be refunded by us after deductions for any costs associated with refurbishing the surrendered Residence. The refund will occur when the relinquished Residence is assigned to a new

resident, or after twelve (12) months, whichever is earlier. In the event you request to move to a larger Residence not then occupied by you or your anticipated co-resident, then subject to our approval and the availability of a larger Residence, you and such other person shall pay an additional fee, which shall be equal to the amount, if any, by which the then current Entrance Fee for Double Occupancy of the selected Residence exceeds the sum of the initial Entrance Fee paid by you and your anticipated co-resident. The additional fee shall be immediately amortized by us. Upon transfer, the Monthly Fee for Double Occupancy of the designated Residence shall be paid. The Residency Agreements shall be amended to reflect the change in the Residence, the change in the Monthly Fee, and any other matters reasonably necessary for your transfer to the designated or alternative Residence.

10.3 Personal Care or Health Center Resident. In the event that you desire to marry a resident of the Separately Licensed Distinct Part of the Community for Personal Care Services or the Health Center, you first must provide us with notice in writing at least sixty (60) days in advance of the proposed transfer of the personal care or nursing care resident to the Residence. The Resident occupying the Separately Licensed Distinct Part of the Community or the Health Center and intending to transfer must be capable of satisfying the Conditions of Occupancy of the Residence. If the Resident proposing to transfer cannot satisfy the Conditions of Occupancy of the Residence as determined in our sole discretion, then we reserve the right to deny the request to transfer to the Residence. If we deny the request to transfer, you may request transfer to the Separately Licensed Distinct Part of the Community or alternatively may exercise the option to terminate this Agreement in accordance with its termination provisions. Any refundable and/or unamortized portion of the Entrance Fee paid by you shall be subject to refund in accordance with the refund provisions of this Agreement, unless otherwise agreed in writing.

10.4 Divorce/Separation of Married Co-Residents. In the event that Co-Residents, who were married to each other at the time of the execution of this Agreement, subsequently divorce and a dispute arises between the Co-Residents over rights to any applicable refund, such refund shall be held by us until a legally binding property settlement is available or until the court with jurisdiction over the divorce proceeding shall issue an order to release such funds. The refund shall not be paid at the time one Co-Resident permanently vacates the Residence and the other Co-Resident remains in the Residence. The Co-Resident who remains at the Community must retain and maintain sufficient assets/resources to provide for his/her future care. Consultation with the Community shall be necessary to determine the amount of resources needed for future

care. The departing Co-Resident shall remain jointly and severally liable for the remaining Co-Resident's financial obligations under this Agreement.

10.5 Separation of Unmarried Co-Residents. In the event that one Co-Resident terminates this Agreement for any reason, the terminating Co-Resident must ensure that the Co-Resident who remains at the Community retains and maintains sufficient assets/resources to provide for his/her future care. Consultation with the Community shall be necessary to determine the amount of resources needed for future care. As described in Section 4.7 and Section 6.5 of this Agreement, the departing Co-Resident will remain jointly and severally liable for the financial obligations of the remaining Co-Resident.

SECTION 11: ARRANGEMENTS FOR GUARDIANSHIP AND FOR ESTATE

11.1 Legal Guardian. If you become incapacitated or unable to properly care for self or property, and no representative has been lawfully designated to act on your behalf or no lawfully designated representative is available, willing or able to act on your behalf, then we shall have the option to institute legal proceedings to adjudge you incapacitated and have a guardian appointed for you or your estate or both. You authorize us to nominate a legal guardian to serve, subject to court approval, and you release us from any liability related to the nomination. All costs of such legal proceedings, including legal fees, shall be paid by you or the legally appointed guardian of your estate.

11.2 Will and Funeral Arrangements. The name of the executor/executrix designated in your will, and the name of the funeral director selected by you shall be provided in writing to us. In the event that you change the name of the executor/executrix designated in your will or select another funeral director, you shall notify us of the changes in writing.

11.3 Advance Directives.

11.3(a) Power of Attorney. If you have written, or if you should write after Occupancy, a Durable Power of Attorney, then you shall furnish us, no later than the date of Occupancy or the date the Durable Power of Attorney becomes effective, a Durable Power of Attorney executed by you which shall be maintained in our files.

11.3(b) Living Will or Designation of Surrogate. If you have executed an advance directive in the form of a living will or have designated another person as a surrogate relating to the provision of health care services in the event of terminal or other illnesses or conditions, you shall provide a copy of the living will or advance directive to us designating your surrogate and any revisions or changes made to the document upon admission to the Health Center.

SECTION 12: YOUR RIGHTS AND OBLIGATIONS

12.1 Right of Self-Organization. You along with other residents of Community shall have the right of self-organization. A representative designated by us shall hold quarterly meetings during the calendar year with residents of Community. At least seven (7) days notice of each quarterly meeting shall be given to you.

12.2 Guest Privileges. You shall be authorized to entertain and accommodate guests in accordance with our guest policy as reflected in the Resident Handbook. We require advance notice and administrative approval of any request to accommodate a guest in your Residence for more than three (3) days. There may be charges associated with a guest's stay. Our policy is subject to change from time to time.

12.3 Rights to Property/Subordination. The rights and privileges granted to you by this Agreement do not include any right, title or interest in any part of the personal property, land, buildings and improvements owned, leased or administered by us. Your rights are primarily for services, with a contractual right of Occupancy. Nothing contained in this Agreement shall be construed to create the relationship of landlord and tenant between you and us. Any rights, privileges, or benefits under this Agreement, including your right to a full or partial refund, shall be subordinate to any existing or subsequent mortgages or deeds of trust on any of the premises or to any other interest in the real property of the Community and to all amendments, modifications, replacements, or re-financings of any existing or subsequent mortgages or deeds of trust or to any liens or security interests held by secured creditors of Community. This subordination provision means that the claims of secured creditors, in the event of Community's bankruptcy or default on its financial obligations, shall be paid before you are entitled to receive any applicable refund. Upon request, you shall execute and deliver any document, which is required by us, or by the holder of any such mortgages or deeds of trust or other encumbrances, to effect such subordination or to evidence the same.

12.4 Inspection of Residence and Right of Entry. You shall permit us, our agents, or any representative of any holder of a mortgage or similar interest on the property, to enter the Residence for the purpose of making reasonable inspections, repairs and replacements. Such entry will be made only with reasonable advance notice except under what we consider to be exigent circumstances as deemed necessary and appropriate by us. We shall have the right to enter the Residence to perform scheduled housekeeping, routine maintenance, or other reasonably necessary purposes having due regard for your privacy.

12.5 Housekeeping/Housecleaning Responsibilities. You shall maintain the Residence in a clean, sanitary, and safe and orderly condition. If you do not maintain the Residence in a reasonable manner as determined by us, after notice to you, we shall have the right to maintain the Residence, and the cost of such additional cleaning or maintenance shall be charged to you. We may also authorize your movement to a more appropriate level of care.

12.6 Health Insurance. We expect that some of the cost of medicines, medical or nursing services or equipment provided for you under this Agreement will be paid by present or future federal, state, municipal, or private plans or programs of medical/surgical insurance, including, without limitation, the benefits available through Social Security programs (commonly known as "Medicare A, B and D"). Prior to Occupancy, you shall secure medical and surgical insurance for protection from medical risks, and when eligible, shall secure and maintain in force at your expense maximum coverage available under the federal government social security health insurance programs known as "Medicare A, B and D". If you have a Medicare supplemental health insurance policy (commonly known as Medigap insurance) such as those offered by the Blue Cross and Blue Shield Plans, you shall provide proof of such insurance. Proof of insurance must be provided at the time of application and prior to admission. We may require you to provide proof of health insurance from time to time after Occupancy.

12.7 Automobile Insurance. In order to operate a motor vehicle, you shall maintain automobile liability insurance to cover liability and medical expenses arising from injury to you or others.

12.8 Motor Vehicle Registration and Operating Privileges. You may operate a vehicle on our campus only if you have a valid driver's license and a valid state registration. You

must register the vehicle with us. You shall operate a motor vehicle in accordance with our rules and regulations, including but not limited to, speed limits and safe driving procedures and practices. We reserve the right to revoke your operating privileges and remove your vehicle from our property if you do not abide by the applicable rules, regulations, policies, and procedures.

12.9 Operation of Other Motor Vehicles, Electric Carts, and Power Operated Vehicles. Your use of any powered vehicle is subject to our rules and policies. We reserve the right to revoke your operating and parking privileges on our property if you do not abide by the applicable rules and policies.

12.10 Reduction of Income or Other Resources. You shall make every reasonable effort to meet your financial obligations to us. You shall not transfer control of assets or property for less than fair market value or make any gifts subsequent to the date of the Application for Admission, nor make any transfers or gifts after Occupancy, including a transfer of assets to an irrevocable trust, or change the liquidity of your assets in any manner, including the purchase of an annuity, which would substantially impair your ability to fulfill timely your financial obligations to us or the ability of your estate to satisfy your financial obligations to us. In the event you substantially impair your ability to fulfill timely your financial obligations to us, we may terminate this Agreement for just cause following an opportunity to cure. If you fail to cure or correct the non-compliance within a period as determined by us and to our satisfaction, then we may terminate this Agreement for just cause upon thirty (30) days written notice to you or your representative. If you fail to cure within the afforded time and we decide not to terminate this Agreement, then you shall not have access to or the ability to transfer to another level of care within the Community, and you shall not be eligible for financial assistance. Our decision not to terminate this Agreement shall not be construed as a waiver of our right to terminate at a later date.

12.11 Responsibility for Property Damage to Community.

12.11(a) Responsibility for Condition of Residence Upon Termination. Upon termination of this Agreement, or at such other time as you shall vacate and Surrender the Residence, you must leave it in as good condition as the date of Occupancy except for reasonable wear and tear. If the Residence is damaged beyond ordinary wear and tear, as reasonably determined by us, the costs of repair shall be your obligation and such costs

shall be billed directly to you or your estate, or alternatively, deducted from any refund that may be due.

12.11(b) Property Damages Caused by You. Any loss or damage to our real or personal property caused by you or your guests shall be paid for by you. In the event of your death, your estate shall be liable for any loss or damage to our property caused by you.

12.12 Release Regarding Conduct of Other Residents or Guests. We assume no liability for the conduct of you or any other residents or guests, and you hereby release and discharge us from any claims for personal injury to you or damage to your personal property caused by the conduct of other residents or guests. You may bring any claims for personal injury sustained by you from the actions or omissions of other residents directly against the residents and/or guests that are responsible for your injury.

12.13 Responsibility for Your Personal Property.

12.13(a) Responsibility for Loss or Damage. We shall not be responsible for the loss or damage due to fire, theft, or other causes of any property belonging to you or your estate or your guests, including motor vehicles, unless the care and control of such property is specifically accepted in writing by us, and then only for willful or gross negligence in failing to safeguard and account for it. You shall have the responsibility to provide such insurance as you deem necessary to protect against any such losses. No personal property insurance is provided to you by us, and you bear the risk of any damage or loss to personal property in the Residence or held in storage by us.

12.13(b) Responsibility for Cash. We strongly advise against storing significant sums of cash in the Residence. We shall not hold, take, or safekeep any sums of cash for the Resident. We are not responsible for the loss of personal cash held by Resident.

12.13(c) Obligations Upon Termination. If you have become unable to comply with the Conditions of Occupancy of the Residence, or this Agreement has been terminated for any reason, you or the duly authorized representative of your estate must remove all personal property from the Residence, including property held in storage. If your personal property is not removed by you or your representative within thirty (30) days of your permanent transfer from the Residence or termination of this Agreement, we shall dispose of your

property in any manner we deem appropriate, and shall not be liable or responsible for any damages to it. You or your estate shall be obligated to pay all costs for the removal, storage or disposal of your property. If your property is moved to and stored in a commercial warehouse, we shall have no liability or responsibility for your property during the transfer of the property or the storage of it.

12.14 Your Rights Are Personal and Non transferable. Your rights and privileges under this Agreement are personal to you and cannot be transferred or assigned. No person other than you may occupy or use the Residence covered by this Agreement unless approval is obtained in writing from us.

12.15 Pets. Pets are accepted subject to approval by us. You shall be required to pay for any damage caused by the pet and shall pay an additional deposit as set by us. We reserve the right to rescind approval of the pet if we determine that the pet constitutes a nuisance or danger to Community, or threatens the quiet enjoyment of other residents. When the pet is no longer present in the Community, the deposit will be refunded after deductions for any repairs, maintenance or refurbishment deemed necessary by us because of the pet.

12.16 Smoking. We are a smoke-free community. We do not permit smoking anywhere on our campus, including your Residence, in accordance with our smoking policy described in the Resident Handbook, which is subject to change from time to time.

12.17 Weapons. We do not permit weapons of any kind on our campus, including in your Residence, in accordance with our policy reflected in the Resident Handbook. You are responsible to enforce this policy with your guests.

SECTION 13: CASUALTY LOSS

In the event the Residence occupied by you, or the building in which the Residence is located, is destroyed or is damaged by fire or other casualty so as to render the Residence or the building generally unfit for Occupancy, we will endeavor in good faith to rebuild and replace the Residence and/or building with substantially similar accommodations unless doing so would threaten our financial viability. In the unlikely event that we determine that rebuilding threatens our financial viability so as to preclude replacement of the Residence or building, then we will strive to develop an alternative restoration plan in which we will

exercise our best efforts to locate, identify or provide, if financially feasible as determined by us, reasonable alternative accommodations for any resident affected by such a catastrophic loss. We will provide notice to the Insurance Department of such a catastrophic loss prior to a decision to terminate any agreements, which will provide an opportunity for the Insurance Commissioner to intervene on your behalf. If we elect to terminate this Agreement, written notice of termination shall be given to you as soon as is reasonably possible from the date of the damage to the Residence. Any applicable refund due to you in accordance with Section 8 shall be paid to you in full upon any such termination. If notice of termination is not given, or if the damage does not render the Residence unfit for Occupancy, we shall be obligated to rebuild or repair the damage to the Residence as soon as reasonably possible for Occupancy by you, and this Agreement shall remain effective unless the parties may otherwise mutually agree. In the event you are unable to occupy the Residence for any period of time during any reasonably necessary period of restoration of the Residence, the Monthly Fee shall be reduced proportionately, unless a vacant Residence is available for temporary Occupancy by you. You shall be responsible to locate and pay the costs of any temporary housing or residence during any reasonably necessary period of repairs. We shall not be liable for any damage, compensation or claim by reason of inconvenience or annoyance arising from the necessity of repairing any portion of the Residence or building, or the interruption in use of the Residence, or the termination of this Agreement by reason of the destruction of the Residence or building.

SECTION 14: RENOVATION OF RESIDENCE

We reserve the right to relocate you to another residence within the Community in the event the Residence occupied by you or the building in which the Residence is located is subject to renovation. In such event, you shall relocate to a residence that is substantially similar to the Residence designated under this Agreement. In the event of such relocation, we shall assume responsibility for your reasonable moving costs. During temporary occupancy of the other residence, you shall pay the Monthly Fee applicable to that residence. Upon completion of the renovations, you may, subject to our approval, elect to remain in the residence you have occupied on a temporary basis, or return to the renovated Residence or the renovated building in which the Residence is located. If you, subject to our approval, choose to remain in the residence you have been occupying, then you shall continue to pay the applicable Monthly Fee, and any applicable refund due to you upon the termination of this Agreement shall be paid in accordance with the terms and conditions of Section 8.5. In the event you, subject to our approval, choose to return to the renovated

Residence or the building in which the Residence is located, then you shall pay the then current Monthly Fee. All costs associated with relocation to the renovated Residence or the building in which the Residence is located shall be paid by you.

SECTION 15: INDEMNIFICATION

You shall indemnify and hold us harmless from and against, and are responsible to pay for, any damages, including our attorneys' fees and reasonable costs, including those incident to establishing the right to indemnification, arising from any injury to or death of any person or other resident, or arising from any damage to or loss of the property of any person or resident, caused by your acts or omissions, to the fullest extent permitted by law.

SECTION 16: GRIEVANCE PROCEDURE

16.1 Reporting Complaints. If you believe that you are being mistreated in any way or your rights have been or are being violated by staff or another resident, you shall make your complaint known to us. You must first notify us of any such complaints, and provide us with sixty (60) days to resolve the complaint satisfactorily to you before you may pursue mediation and/or arbitration.

16.2 Voluntary Mediation. Mediation is a form of alternative dispute resolution whereby an impartial person facilitates communication between the parties. The goal of mediation is to resolve the dispute promptly, amicably, and without incurring significant time and expense. Mediations are non-binding in nature. This Agreement provides for voluntary mediation whereby the parties may, upon mutual agreement, engage in mediation before resorting to arbitration. If the parties mutually agree to mediate any dispute that may arise between them, then the mediation will be conducted at a site selected by us, which shall be at the Community or at a site within a reasonable distance of Community. If the parties are unable to resolve their dispute through mediation, then the dispute can only be resolved by arbitration as provided in this Agreement. If the parties do not mutually agree to mediate any dispute that may arise between them, then they must proceed directly to arbitration. The costs of the mediation shall be borne equally by each party, and each party shall be responsible for their own legal fees.

16.3 Mandatory, Binding Arbitration. Arbitration is a specific process of dispute resolution utilized instead of the traditional state or federal court system. Instead of a judge and/or jury determining the outcome of a dispute, a neutral third party ("Arbitrator(s)") chosen by the parties to this Agreement renders the decision, which is binding on both parties. Generally, an Arbitrator's decision is final and not open to appeal. The Arbitrator will hear both sides of the story and render a decision based on fairness, law, common sense and the rules established by the Arbitration Association selected by the parties. When Arbitration is mandatory, as it is under this Agreement, it is the only legal process available to the parties. Mandatory Arbitration has been selected with the goal of reducing the time, formalities and cost of utilizing the court system. You or, in the event of your incapacity, your authorized representative have the right to rescind this arbitration clause in accordance with the terms and conditions specified in Section 16.3(h) of this Agreement.

16.3(a) Contractual and/or Property Damage Disputes. Unless resolved or settled by mediation, any controversy, dispute, disagreement or claim of any kind or nature, arising from, or relating to this Agreement, or concerning any rights arising from or relating to an alleged breach of this Agreement, with the exception of (1) guardianship proceedings resulting from your alleged incapacity; (2) eviction proceedings initiated by us; (3) collection actions initiated by us for nonpayment of stay which results in a financial loss to us; and (4) disputes involving amounts in controversy of less than Twelve Thousand Dollars ($12,000), shall be resolved exclusively by arbitration. This means that you will not be able to file a lawsuit in any court to resolve any disputes or claims that you may have against us. It also means that you are relinquishing or giving up all rights that you may have to a jury trial to resolve any disputes or claims against us. It also means that we are giving up any rights we may have to a jury trial or to bring claims in a court against you. Subject to Section 16.3(f), the Arbitration shall be administered by ADR Options, Inc., in accordance with the ADR Options Rules of Procedure, and judgment on any award rendered by the arbitrator(s) may be entered in any court having appropriate jurisdiction. You acknowledge and understand that there will be no jury trial on any claim or dispute submitted to arbitration, and you relinquish and give up your rights to a jury trial on any matter submitted to arbitration under this Agreement.

16.3(b) Personal Injury or Medical Malpractice. Unless resolved or settled by mediation, any claim that you may have against us for any personal injuries sustained by you arising from or relating to any alleged medical malpractice, inadequate care, or any other cause or reason while residing in Community, shall be resolved exclusively by

arbitration. This means that you will not be able to file a lawsuit in any court to bring any claims that you may have against us for personal injuries incurred while residing in Community. It also means that you are relinquishing or giving up all rights that you may have to a jury trial to litigate any claims for damages or losses allegedly incurred as a result of personal injuries sustained while residing in Community. Subject to Section 16.3(f), the Arbitration shall be administered by ADR Options, Inc., in accordance with the ADR Options Rules of Procedure, and judgment on any award rendered by the arbitrator(s) may be entered in any court having appropriate jurisdiction. You acknowledge and understand that there will be no jury trial on any claim or dispute submitted to arbitration, and you relinquish and give up your right to a jury trial on any claims for damages arising from personal injuries to you which are submitted to arbitration under this Agreement.

16.3(c) Exclusion from Arbitration. Those disputes which have been excluded from mandatory arbitration (i.e., guardianship proceedings, eviction proceedings initiated by us, collection actions initiated by us, and disputes involving amounts in controversy of less than $12,000) may be resolved through the use of the judicial system. In situations involving any of the matters excluded from mandatory arbitration, neither you nor we are required to use the arbitration process. Any legal actions related to those matters may be filed and litigated in any court which may have jurisdiction over the dispute.

16.3(d) Right to Legal Counsel. You have the right to be represented by legal counsel, at your own cost, in any proceedings initiated under this arbitration provision. Because this arbitration provision addresses important legal rights, we encourage and recommend that you obtain the advice and assistance of legal counsel to review the legal significance of this mandatory arbitration provision prior to signing this Agreement.

16.3(e) Location of Arbitration. The Arbitration will be conducted at a site selected by us, which may be at the Community or at a site within a reasonable distance of Community.

16.3(f) Time Limitation for Arbitration. Any request for arbitration of a dispute must be requested and submitted to ADR Options, Inc., with notice to the other party, prior to the lapse of two (2) years from the date on which the event giving rise to the dispute occurred or before the expiration of the applicable statute of limitations for the dispute, whichever is earlier. Determination of the lapse of two (2) years from the date on which the event giving rise to the dispute occurred and determination of the applicable statute of limitations shall be made by the arbitrator as part of the arbitration process. ADR Options, Inc., is the

designated arbitration agency that shall hear disputes specified in Sections 16.3(a-b) of this Agreement. ADR Options, Inc., is an impartial alternative dispute resolution organization that provides a panel of neutral third party arbitrators from which you and Community, upon mutual agreement, shall select an arbitrator to facilitate dispute resolution. In the event ADR Options, Inc., is unable or unwilling to serve, then the request for Arbitration must be submitted to us within thirty (30) days of receipt of notice or other determination of ADR Options, Inc.'s, unwillingness or inability to serve as a neutral arbitrator. We shall select an alternative neutral arbitration service within thirty (30) days thereafter and the selected Arbitration Agency's procedural rules shall apply to the arbitration proceeding. The failure to submit a request for Arbitration to ADR Options, Inc., or an alternate neutral arbitration service selected by us, within the designated time (i.e., two (2) years or the applicable statute of limitations, whichever is earlier) shall operate as a bar to any subsequent request for Arbitration, or for any claim for relief or a remedy, or to any action or legal proceeding of any kind or nature, and the parties will be forever barred from arbitrating or litigating a resolution to any such dispute. Contact information for ADR Options, Inc., is as follows:

Two Commerce Square, Suite 1100
2001 Market Street
Philadelphia, PA 19103-7044
Phone: (215) 564-1775/ (800) 364-6098
Fax: (215) 564-1822
Website: www.adroptions.com

16.3(g) Allocation of Costs for Arbitration. The costs of the arbitration shall be borne equally by each party, and each party shall be responsible for their own legal fees.

16.3(h) Limited Resident Right to Rescind this Mandatory, Binding Arbitration Clause (Section 16.3(a-l) of this Agreement). You or, in the event of your incapacity, your authorized representative have the right to rescind this arbitration clause by notifying us in writing within thirty (30) days of the execution of this Agreement. Such notice must be sent via certified mail to the Community, and the notice must be post-marked within thirty (30) days of the execution of this Agreement. The notice may also be hand-delivered to the Community within the same thirty (30) day period. The filing of a claim in a court of law within the thirty (30) days provided for above will automatically rescind the arbitration clause without any further action by you or your authorized representative.

16.3(i) Not a Condition of Admission or Continued Stay. Mandatory arbitration is not required as a condition of admission or continued stay in the Community.

16.3(j) Confidentiality. You agree that, at all times, you will keep any information regarding the arbitration proceeding, including rulings, decisions and awards by the arbitrator, confidential and will not disclose voluntarily to any third party, except to the extent required by law. You are permitted to disclose that the matter has been resolved, without disclosing the results of the arbitration proceeding.

16.3(k) Severability of Arbitration Clause (Section 16.3(a-l) of this Agreement). If any provision of this arbitration clause is determined by a judicial or administrative tribunal of proper jurisdiction to be invalid or unenforceable, such provision shall be severed and the balance of this arbitration clause shall remain in full force and effect.

16.3(l) Law Governing Arbitration Clause. This arbitration clause shall be governed by and interpreted under the Federal Arbitration Act, 9 U.S.C. Sections 1-16.

16.3(m) Venue Notice. Any and all claims arising out of or relating to the Residency Agreement or any and all past, present or future admissions of the Resident to the Provider, including, but not limited, any legal claims or civil actions for malpractice or otherwise arising out of or in any way related to the provision of services or healthcare by the Provider or its employees or agents, or any other claim between Provider and Resident, shall be brought solely in either the Courts of Montgomery County, in the Commonwealth of Pennsylvania or in the United States District Court for the Eastern District of Pennsylvania. The Resident retains the right to file a grievance with the Provider, ombudsman, or any regulatory agency. Nothing in this clause prohibits or discourages the Resident from communicating with any federal, state, or local officials, including but not limited to, federal and state surveyors, other federal or state health department employees. This clause does not apply to regulatory appeals of an involuntarily discharge of the Resident from the Provider. If you agree to be bound by the Arbitration Sections 16.3(a-l) of the Residency Agreement, those Sections will supersede this clause. If, however, you choose to execute: Section 16.3(h) Limited Resident Right to Rescind this Mandatory, Binding Arbitration Clause (Section 16.3(a-l) of this Agreement), this clause will control. If you do not agree to be bound by this venue clause, within thirty (30) days of the date of this agreement, you must provide written notice to Provider's Director of Risk Management via

hand delivery or certified mail. The notice must specifically indicate your decision to opt out of Section 16.3 (m) Venue Notice.

SECTION 17: SUBROGATION

In the event you are physically injured by an individual or entity not a party to this Agreement, you grant to us a right of subrogation, and authorize us to bring such demands, claims or legal proceedings in the name of or on your behalf for purposes of recovering from any third party or third party's insurer responsible for your injury, the dollar value of all care provided by us to you as a result of any such injury. You shall cooperate and sign any documents necessary to facilitate our ability to exercise our subrogation right. After all costs and expenses incurred by us (including legal fees and charges for care furnished to you by us because of such injury) have been reimbursed to us, the balance of any recovery will be refunded to you or your estate.

SECTION 18: AVERAGE ANNUAL COST OF PROVIDING SERVICES

The average annual cost of providing care and services during the most recent twelve (12) month period for which a report is available is reflected in our Disclosure Statement, which is made available to you on an annual basis.

SECTION 19. MISCELLANEOUS PROVISIONS

19.1 Your Continuing Disclosure Obligation. The information regarding your age and financial affairs and your ability to meet the Conditions of Occupancy submitted by you in the forms and related application documents constitutes a material part of this Agreement, and this information is incorporated as a part of this Agreement. You acknowledge that the submission of false information may, in our judgment, constitute grounds for the termination of this Agreement. You must disclose any material changes in your financial situation or your ability to meet the Conditions of Occupancy before and after Occupancy. We may from time to time request verified financial statements and copies of tax returns from you. The failure to make such disclosure may, in our judgment, constitute grounds to terminate this Agreement.

19.2 Receipt of Disclosure Statement and Resident Handbook. You acknowledge receiving a copy of our annual Disclosure Statement and Resident Handbook prior to signing this Agreement. The Resident Handbook is subject to change from time to time and shall not be construed as imposing any contractual obligations on us or granting any contractual rights to you.

19.3 Right to Receive Disclosure Statements. We shall deliver to you prior to or at the time of the execution of this Agreement, and make available to you at least annually thereafter, a copy of our Disclosure Statement required by the Continuing Care Provider Registration and Disclosure Act, Act No. 82 of 1984.

19.4 Rules, Regulations, Policies and Procedures. You shall cooperate fully with us to maintain the Residence and common facilities in a neat and orderly manner, and shall comply with all rules, regulations, policies and procedures established by us, and such amendments, modifications or changes as may be adopted from time to time. Our rules, regulations, policies and procedures are set forth in the Resident Handbook, and are subject to change from time to time.

19.5 Community's Modification of Agreement and Policies. We reserve the right to modify unilaterally this Agreement to conform to changes in law or regulation. Otherwise, this Agreement may only be amended or modified by a writing executed by both parties. We also reserve the right to modify and amend our rules, regulations, policies and procedures as we deem reasonably appropriate for the safe and efficient operation of the Community.

19.6 Binding Effect. Except as otherwise provided herein, this Agreement shall bind and serve to benefit our successors and assigns, and your heirs, executors, administrators and assigns.

19.7 Acts of Forbearance. No act of forbearance or failure to insist upon prompt performance of any of the terms of this Agreement by us shall be construed as a waiver of any of the rights granted to us, or a limit on our ability to strictly enforce all of the provisions of this Agreement.

19.8 Severability. If any provision of this Agreement is determined by a court, judicial or administrative tribunal of proper jurisdiction to be invalid or unenforceable, such provision shall be severed and the balance of this Agreement shall remain in full force and effect.

19.9 Editorial Provisions. The headings of the paragraphs in this Agreement are inserted for convenience only and do not constitute a part of this Agreement. The use of gender based pronouns shall be interpreted to include both the male and female pronouns unless explicitly specified to relate to one gender only.

19.10 Consent to Assignment. You consent to the collateral or other assignment by us of our right, title and interest in this Agreement.

19.11 Governing Law. Unless otherwise provided herein, this Agreement shall be interpreted according to the laws of the Commonwealth of Pennsylvania.

19.12 Non-waiver of the Continuing Care Provider Registration and Disclosure Act of 1984. No act, agreement or statement of you, or of any individual purchasing care for a resident under any agreement to furnish care to you, shall constitute a valid waiver of any provision of the Continuing Care Provider Registration and Disclosure Act, Act of June 18, 1984, P.L. 391, No. 82, Sections 1-25, 40 P.S. Section 3201 et. seq., (Act 82), which is intended for the benefit or protection of you or the individual purchasing care for you.

19.13 Limitations on Private Cause of Action. You may not file or maintain an action under Act 82 if you, before filing the action, received an offer, approved by the Insurance Commissioner, to refund all amounts paid by you to us, the facility or person alleged to have violated Act 82 together with interest from the date of payment, less the reasonable value of care and lodging provided prior to receipt of the offer and you failed to accept the offer within thirty (30) days of its receipt.

SECTION 20: NOTICE

Notice, when required by the terms of this Agreement, shall be deemed to have been properly given, if and when delivered personally or, if sent by certified mail, return receipt requested, when postmarked, postage prepaid and addressed as follows:

To Community:
Evangelical Manor
d/b/a Wesley Enhanced Living Pennypack Park
8401 Roosevelt Blvd.
Philadelphia, PA 19152

To Resident (Before Occupancy):

_____

_____

After Occupancy, notice will be provided to you at the Residence specified in this Agreement.

SECTION 21: ENTIRE AGREEMENT

This Agreement along with any applicable addendum(s) constitute the entire Agreement between you and us. We shall not be responsible or liable for any statements, representations or promises made by any person representing or purporting to represent us, unless such statements, representations or promises are set forth in this Agreement. Any brochures, videos, advertisements or other marketing publications describing us are for the purpose of inviting inquiries only and are not to be relied upon as legally or contractually binding. This Agreement may not be amended except by a subsequent written addendum approved by us and executed by the parties.

SECTION 22: EXECUTION

You hereby acknowledge reading this Agreement in its entirety, understanding its provisions, and having been provided an opportunity to consult with personal advisors, including legal counsel, regarding its terms.

In confirmation of this Agreement, we have caused this Agreement to be signed by our authorized representative, and you have placed your signature(s) on the date and year written below.

WITNESS: Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park

_____ By _____ _____
Administrator Date

WITNESS:

_____ _____ _____
Resident Date

_____ _____ _____
Resident Date

NOTICE OF RIGHT TO RESCIND

Date rescission period begins _____.

You may rescind and terminate your Residency Agreement without penalty or forfeiture within seven (7) days of the above date. You are not required to move into the Community before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your agreement within this seven (7) day period.

To rescind your Residency Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind to the following address:

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park
8401 Roosevelt Blvd.
Philadelphia, PA 19152

Not later than midnight of (month), 2025 (last day for rescission).

Pursuant to this notice, I hereby cancel my Residency Agreement.

Date: _____

PROSPECTIVE RESIDENT'S SIGNATURE

_____

_____

Wesley Enhanced Living Pennypack Park

EXHIBIT A

Apartment Appliances Provided

- Refrigerator/Freezer – 1 and 2 Bedroom apartments
- Stove – 1 and 2 Bedroom apartments
- Kitchen sink – 1 and 2 Bedroom apartments
- Washer
- Dryer
- Dishwasher
- Sprinklers
- Smoke Detector
- 24-hour response call system

Wesley Enhanced Living Pennypack Park

EXHIBIT B

Apartment Utilities Provided

- Electricity
- Heat
- Basic Cable
- Water/Sewage

EXHIBIT C

ADDENDUM FOR CABLE TELEVISION AND HOUSEKEEPING SERVICES

The charges for cable television and housekeeping services depend upon the Community chosen by you for residency as listed below:

Wesley Enhanced Living Pennypack Park. We shall provide each Residence with a hookup for basic cable television or its equivalent. We shall provide light housekeeping services on a biweekly basis, which are included in the Monthly Fee.

IN WITNESS WHEREOF, the parties have duly executed this Addendum as of the date written below.

WITNESS: Evangelical Manor
d/b/a Wesley Enhanced Living Pennypack Park

_____ By _____ _____
Authorized Representative Date

WITNESS:

_____ _____ _____
Resident Date

_____ _____ _____
Resident Date

EXHIBIT D

CONDITIONS OF OCCUPANCY

In order to qualify for initial residency as well as continued residency in a residence, an applicant/resident must satisfy the following Conditions of Occupancy in addition to other requirements of Community as reflected in its rules, regulations, policies, and procedures:

1. Possess the ability to meet one's individual personal care needs (e.g., eating, drinking, personal hygiene, self-administration of medications) so as to reside safely in the Residence.

2. Maintain one's self and the Residence in a safe and sanitary manner so as not to pose a threat or danger to one's health or safety or the health or safety of others in the Community.

3. Maintain the ability to reside safely in the Residence without becoming disoriented as to person, place and/or time so as to be at risk of elopement or other actions, including socially offensive or aggressive behaviors, which would endanger the resident or threaten the safety or well-being of other residents.

4. Demonstrate that, upon applicant's/resident's request for a reasonable accommodation to remain in the Residence, such reasonable accommodation shall be secured with appropriate and qualified assistance, and, if requested by Community, by the execution of and compliance with the Supportive Services Addendum, and demonstrate sufficient resources to pay for such reasonable accommodation without impairing one's financial obligations to Community and without prematurely depleting such resources as determined by Community.

5. Demonstrate sufficient financial resources to meet all financial requirements of residency.

EXHIBIT E

DINING PROGRAM

Independent Living Residents:

- Residents are issued 15 points per day (30 days = 450 points/31 days = 465 points) which may be used in the Bistro or the Fireside Dining Room. Points are calculated on a month-to-month basis.
- Points are "use them or lose them" within a calendar month and cannot be carried over from month to month and are non-refundable.
- Dining points are non-transferable and cannot be shared with other guests.
- Dining points cannot be used for guests.
- If you use more points than assigned the overage will be calculated to your monthly bill. One point = $1.
- Take out, pickup and delivery will reflect a la carte pricing for food items.
    - 1 dining point for pick-up containers
    - 5 dining points for delivery; plus 1 point for containers
- Special events (barbeques, holiday parties, etc. which happen approximately 6 times/year) will use the entire day's 15 points.
- *Food may not be removed from the Fireside Dining Room. Residents who remove food from the Fireside Dining Room will be charged an additional meal cost of $15.00*

Tray Service:

If you are ill and need a meal tray delivered to your residence, please call Dining Room Services at ext. 344 or 345 before 4:00 P.M. and on Sunday before 1pm. Continuing tray service for more than three (3) consecutive days may require your physician's written authorization. An additional 6 points (5 points for delivery plus 1 point for containers) will be added to the established points for the meal. *Please limit your tray requests to when you are ill.*

The Private Dining Room is located on the 1st floor adjacent to the Fireside Dining Room and may be reserved for large group meals. Please see any Dining Manager to reserve the room.

EXHIBIT C

NOTICE OF RIGHT TO RESCIND

Date rescission period begins _____ .

You may rescind and terminate your Residency Agreement without penalty or forfeiture within seven (7) days of the above date. You are not required to move into the Community before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your agreement within this seven (7) day period.

To rescind your Residency Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind to the following address:

Evangelical Manor d/b/a Wesley Enhanced Living Pennypack Park
8401 Roosevelt Boulevard
Philadelphia, PA 19152

Not later than midnight of _____ (last day for rescission).

Pursuant to this notice, I hereby cancel my Residency Agreement.

Date: _____

PROSPECTIVE RESIDENT'S SIGNATURE

_____

_____



Wesley Enhanced Living
Pennypack Park

Effective January 1, 2025

EXHIBIT D

2025 FEES

Independent Living Fee Schedule

	ENTRANCE FEE OPTION	MONTHLY FEES	
PENNYPACK BUILDING	**ENTRANCE FEE**	**SINGLE**	**2ND PERSON**
FLOORS 1-3			
1 Bedroom	$79,000	$2,460	$768
2 Bedroom	$110,000	$2,940	$768
GROUND FLOOR APARTMENTS			
1 Bedroom	$30,000	$2,140	$768
MANOR BUILDING			
Studio (without kitchenette)	$10,000	$1,587	N/A
Studio (with kitchenette)	$20,000	$1,587	N/A
1 Bedroom	$30,000	$2,161	$768
2 Bedroom	$45,000	$2,589	$768

Apartment Reservation Deposit: $1,000, refundable. All fees subject to change.

8401 Roosevelt Blvd • Philadelphia, PA 19152 • Phone: 215-624-5800 • Fax: 215-624-7994

877-U-AGE-WEL • www.WEL.org

Equal Opportunity Care Provider

Pet Friendly

Wesley Enhanced Living
Pennypack Park

Independent Living Amenities and Services

Your one-time entrance fee and monthly service fees are used to cover all the services and amenities you'll ever need to live an enriched, enjoyable, and purpose-filled life, every day. We are pleased to provide:

- Updated kitchens designed for convenience
- Washer and dryer in most 1- & 2-BR apartments*
- Modern wood laminate flooring and carpeting
- Ample closet space and storage
- All utilities (except telephone and internet)
- Cable TV service
- Property taxes
- Housekeeping twice a month
- Sprinkler system, smoke or heat detectors
- Emergency response pendant
- 24/7 security
- Grounds and building maintenance
- Monthly allotment of Dining Dollars
- Wellness Clinic: assistance as needed; primary care physicians and specialists available by appointment (visits billed to insurance)
- Fitness center
- Game room with card tables
- Library
- Activities, events, programs, and entertainment
- Meditation chapel and worship services
- Courtyard, gardens, gazebo, and walking trails
- Wesley Hall community auditorium
- Free local transportation to shopping
- Ample on-site parking

**All Pennypack apartments and some Manor building apartments*

Services available at an additional fee:

- Transportation to local physician offices
- Private dining room
- Beauty salon
- Barber shop

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Pennypack Park

Effective January 1, 2025

Personal Care Fee Schedule - Roosevelt Building

CARE LEVELS - DAILY RATE PER PERSON

ROOSEVELT BUILDING	A	B	C	D
Studio	$181	$196	$210	$231
1 Bedroom	$201	$215	$230	$251
Studio *Semi-Private*	$117	$128	$137	$158
1 Bedroom *Semi-Private*	$139	$153	$166	$187

One-Time Personal Care Community Fee: $2,500 *Furnished apartments available.*

RESPITE CARE

Available in Roosevelt Building only. Same level of care/daily rates as above. One month minimum stay. Fees payable in advance of move in; subsequent weeks will be billed. No application fee required. Applicants must comply with all permanent personal care admissions requirements.

PERSONAL CARE DESCRIPTION OF SERVICES*

Service Level A

Medication Management to include ordering / reordering, dispensing / delivery, administering, monitoring and documenting; 3 meals a day; snacks and beverages; light housekeeping; laundry; linen service; bed-making; daily trash removal; activities of resident choice; all utilities (except cable / telephone / wifi)

Service Level B

Service Level A (as listed above) plus:

- Complex Medication Management / VA Medications – ordering / reordering, dispensing / delivery, administering (to include medication crushing), monitoring and documenting; some physical assistance with dressing and grooming; scheduling medical appointments; obtaining doctor's orders / ongoing communication to include healthcare services (primary and specialty doctors) and diagnostic studies;

Service Level C

Service Level A and Service Level B (as listed above) plus:

- Assistance with showering / bathing; dressing (clothing selection, fastening, sorting); grooming (hair care, shaving, nail care, oral hygiene, etc.); incontinence care; oxygen therapy, respiratory treatments, diabetic management; cueing / reminding for meals and for activities

Service Level D

Service Level A, Service Level B and Service level C (as listed above) plus:

- Total physical assistance with feeding; toileting; incontinence care / foley care

Not to exceed 2 (two) hours of care within a 24-hour period.
Service Level D only applies to current residents transitioning to this Level. New personal care admissions not applicable for direct entry at this level.
** Mobile/Immobile: capable or not capable of evacuating the building in emergency situations.

*Descriptions are generally stated. Actual services are personalized for each resident and determined by level of care assessment tool.
**As defined by Pennsylvania Code Title 55. Department of Public Welfare Personal Care Homes Chapter 2600 Code #260.4.: "Mobile Resident – A resident who is physically and mentally capable of vacating the personal care home on the resident's own power or with limited physical or oral assistance in case of an emergency, including the capability to ascend or descend stairs if present on the exit path."

Apartment Reservation Deposit: $1,000, refundable, to hold a Personal Care apartment. All fees subject to change.

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877-U-AGE-WEL • www.WEL.org

Equal Opportunity Care Provider
Pet Friendly



Wesley Enhanced Living
Pennypack Park

Personal Care Apartments Features and Amenities

Included in the Monthly Fee:

- State-of-the-art baths with walk-in showers*
- Modern kitchenette including sink, undercounter refrigerator, and microwave*
- Modern wood laminate flooring and carpeting
- Property taxes
- All utilities (except telephone and internet)
- Cable TV service
- Housekeeping and linen service
- Trash removal
- Sprinkler system, smoke or heat detectors
- Individually controlled heat and air conditioning
- Emergency response pendant
- 24/7 security
- Grounds and building maintenance
- Ample on-site parking
- Three nutritious, delicious meals per day
- Beautifully appointed personal care dining room and lounge
- Wellness Clinic: assistance as needed; primary care physicians and specialists available by appointment (visits billed to insurance)
- Fitness center
- Game room with card tables
- Library
- Music room
- Activities, events programs and entertainment
- Meditation chapel and worship services
- Courtyard, gardens, gazebo, and walking trails
- Wesley Hall community auditorium
- Free local transportation to shopping

**All Pennypack and Roosevelt apartments and most Manor building apartments*

Services available at an additional fee:

- Transportation to local physician offices
- Beauty salon
- Barber shop
- Private dining room for special events

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Equal Opportunity Care Provider
Pet Friendly



Wesley Enhanced Living
Pennypack Park

Effective January 1, 2025

Rehabilitation & Skilled Nursing Fee Schedule

Wesley Enhanced Living Rehabilitation & Skilled Nursing Center is a 120-bed sub-acute facility delivering state-of-the-art care in a warm, inviting, community setting. A full range of professional services for both short-term and long-term care is provided.

PRIVATE PAY DAILY RATES

	DAILY RATE PER PERSON
Semi-private licensed nursing care	$457†
Private licensed nursing care	$529†

† Does not include prescriptions, lab tests, physical, occupational or speech therapy, or barber, beauty and ancillary services ordered by physician and not covered by a third-party payor.

For short-term rehabilitation stays, our Participating Insurance Plans include:

- Traditional Medicare with a secondary insurance to cover co-payments is accepted Managed Care Plans:
  - Aetna/Coventry (plan requires authorization and a level 1 or 2)
  - AmeriHealth/AmeriHealth Administrators
  - Blue Cross/Blue Shield
  - Blue Cross of Michigan
  - Capital Blue Cross
  - Federal Blue Cross (needs authorization)
  - Health Partners (coming soon!)
  - Horizon Blue Cross of NJ
  - Clover Health
  - Humana
  - Keycare
  - Keystone/Keystone 65
  - Keystone Health Plan East
  - Keystone Pro Active
  - Personal Choice/ Personal Choice 65
  - United Healthcare Medicare (needs authorization)
  - Vibra Health Plan

For more information about admissions, please contact Dorian Burton:

dburton@wel.org | 267-250-8184

Wesley Enhanced Living and Subsidiaries

Consolidated Financial Statements
and Supplementary Information

December 31, 2025 and 2024

EXHIBIT E

AUDITED FINANCIAL STATEMENTS

Wesley Enhanced Living and Subsidiaries

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December 31, 2025 and 2024

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Independent Auditors' Report

To the Board of Directors of
Wesley Enhanced Living

Opinion

We have audited the consolidated financial statements of Wesley Enhanced Living and Subsidiaries (the Organization),which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations and changes in net deficit and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2025 and 2024, and the results of its operations, changes in its net deficit and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 22 to 25 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



New Castle, Pennsylvania
April 14, 2026

Wesley Enhanced Living and Subsidiaries

Consolidated Balance Sheets
December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	$ 3,736,150	$ 1,099,029
Accounts receivable, residents	2,931,907	3,675,652
Entrance fees receivable	363,000	307,500
Prepaid expenses and other current assets	1,272,162	1,251,399
Current portion of assets whose use is limited	9,143,353	8,767,282
Total current assets	17,446,572	15,100,862
Investments and Assets Whose Use is Limited		
Investments	26,462,303	22,645,083
Assets whose use is limited	8,013,490	9,058,254
Statutory liquid reserves	4,711,024	4,861,710
Total investments and assets whose use is limited	39,186,817	36,565,047
Beneficial Interest in Perpetual Trusts	5,471,449	5,031,686
Property and Equipment, Net	101,150,298	104,182,320
Intangible Asset	-	1,206,200
Cash Held for Residents	172,333	175,995
Total assets	$ 163,427,469	$ 162,262,110

See notes to consolidated financial statements

Wesley Enhanced Living and Subsidiaries

Consolidated Balance Sheets
December 31, 2025 and 2024

	2025	2024
Liabilities and Net Deficit		
Current Liabilities		
Current portion of long-term debt	$ 2,340,000	$ 2,205,000
Current portion of annuities payable	3,125	3,678
Accounts payable:		
Trade	1,740,664	2,196,724
Capital related	461,811	148,403
Entrance fee refunds	377,902	272,793
Accrued expenses and other current liabilities	10,333,848	10,258,178
Accrued interest payable	2,843,912	2,910,064
Resident prepaid rent	836,205	703,748
Total current liabilities	18,937,467	18,698,588
Long-Term Debt, Net	107,288,107	109,589,412
Entrance Fees and Deposits		
Deposits	537,693	567,552
Refundable entrance fees	2,360,895	2,467,900
Deferred revenues from entrance fees	50,897,068	46,858,564
Total entrance fees and deposits	53,795,656	49,894,016
Annuities Payable, Net	1,514	3,566
Cash Held for Residents	172,333	175,995
Total liabilities	180,195,077	178,361,577
Net (Deficit) Assets		
Without donor restrictions	(22,822,730)	(21,716,228)
With donor restrictions	6,055,122	5,616,761
Total net deficit	(16,767,608)	(16,099,467)
Total liabilities and net deficit	$ 163,427,469	$ 162,262,110

Wesley Enhanced Living and Subsidiaries

Consolidated Statements of Operations and Changes in Net Deficit
Years Ended December 31, 2025 and 2024

	2025	2024
Net Deficit Without Donor Restrictions		
Revenues, gains and other support:		
Net resident service revenues	$ 73,875,831	$ 71,514,385
Amortization of deferred revenues from entrance fees	11,001,114	10,163,752
Investment income	2,305,173	2,070,444
Contributions	338,718	553,610
Other income	3,238,368	3,436,879
Total revenues, gains and other support	90,759,204	87,739,070
Expenses:		
Personnel	56,988,592	56,161,023
Contracts	9,477,586	8,713,949
Depreciation	8,241,752	7,972,882
Interest	5,793,466	5,922,615
Food	3,428,405	3,323,554
Supplies	3,377,104	3,259,798
Utilities	3,138,283	2,801,792
Real estate taxes	1,277,372	1,213,605
Impairment loss	1,206,200	-
Insurance	672,040	626,529
Credit loss expense	596,037	1,349,996
Total expenses	94,196,837	91,345,743
Operating loss	(3,437,633)	(3,606,673)
Net Unrealized Gains on Investments	2,331,131	1,758,272
Revenues less than expenses and changes in net deficit without donor restrictions	(1,106,502)	(1,848,401)
Change in Net Assets With Donor Restrictions		
Change in beneficial interest in perpetual trusts	439,763	289,238
Other changes in restricted net assets	(1,402)	21,388
Change in net assets with donor restrictions	438,361	310,626
Change in net (deficit) assets	(668,141)	(1,537,775)
Net Deficit, Beginning	(16,099,467)	(14,561,692)
Net Deficit, Ending	$ (16,767,608)	$ (16,099,467)

See notes to consolidated financial statements

Wesley Enhanced Living and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Change in net deficit	$ (668,141)	$ (1,537,775)
Adjustments to reconcile change in net deficit to net cash provided by operating activities:		
Credit loss expense	596,037	1,349,996
Depreciation	8,241,752	7,972,882
Amortization of debt issuance costs and bond premium	38,695	38,693
Amortization of deferred revenues from entrance fees	(11,001,114)	(10,163,752)
Intangible asset	1,206,200	-
Net realized and unrealized gains on investments	(2,610,830)	(2,476,702)
Proceeds received from nonrefundable entrance fees	19,645,650	18,323,011
Change in beneficial interest in perpetual trusts	(439,763)	(289,238)
Change in assets and liabilities:		
Accounts receivable, residents	147,708	(2,253,820)
Prepaid expenses and other current assets	(20,763)	(5,967)
Annuities payable	(2,605)	(481)
Accounts payable, trade	(456,060)	(548,347)
Accrued expenses and other current liabilities	75,670	1,175,011
Accrued interest payable	(66,152)	(62,399)
Resident prepaid rent	132,457	213,115
Deposits	(29,859)	24,103
Net cash provided by operating activities	14,788,882	11,758,330
Cash Flows From Investing Activities		
Purchases of property and equipment	(4,896,322)	(4,867,262)
Net (purchases) sales of investments and assets whose use is limited	(1,839,903)	2,101,990
Net cash used in investing activities	(6,736,225)	(2,765,272)
Cash Flows From Financing Activities		
Principal payments on long-term debt	(2,205,000)	(2,080,000)
Refunds of entrance fees	(4,663,428)	(4,651,799)
Net cash used in financing activities	(6,868,428)	(6,731,799)
Net change in cash, cash equivalents and restricted cash and cash equivalents	1,184,229	2,261,259
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	16,802,406	14,541,147
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending	$ 17,986,635	$ 16,802,406
Reconciliation of Cash, Cash Equivalents and Restricted Cash and Cash Equivalents		
Cash and cash equivalents	$ 3,736,150	$ 1,099,029
Cash and cash equivalents included in investments and assets whose use is limited	14,250,485	15,703,377
Total cash, cash equivalents and restricted cash and cash equivalents	$ 17,986,635	$ 16,802,406
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 5,820,923	$ 5,946,321
Supplemental Disclosure of Noncash Investing and Financing Activities		
Accounts payable, construction	$ 461,811	$ 148,403

See notes to consolidated financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations, Basis of Presentation and Principles of Consolidation

Evangelical Services for the Aging, dba Wesley Enhanced Living (WEL), is the sole member of Wesley Enhanced Living Pennypack Park (Pennypack Park), Wesley Enhanced Living Doylestown (Doylestown), Wesley Enhanced Living Upper Moreland (Upper Moreland), Wesley Enhanced Living at Stapeley (Stapeley), and Wesley Enhanced Living Main Line (Main Line). The Board of Directors of WEL appoints the Boards of Directors of the six controlled entities.

Wesley Enhanced Living Foundation (the Foundation) engages in fundraising activities for WEL and its controlled entities. The Board of Directors of WEL appoints the Board of Directors of the Foundation.

The accompanying consolidated financial statements comprise the financial statements of WEL, Pennypack Park, Doylestown, Upper Moreland, Stapeley, Main Line and the Foundation, collectively, the Organization. Pennypack Park, Doylestown, Upper Moreland, Stapeley and Main Line are collectively referred to as the "Communities." All significant intercompany balances and transactions have been eliminated in consolidation.

The Organization maintains a historical and philosophical relationship with the Eastern Pennsylvania Conference of the United Methodist Church.

The following is information related to the operations of the Communities.

Pennypack Park

Pennypack Park, located in Philadelphia, Pennsylvania, is a continuing care retirement community (CCRC) that provides housing, healthcare and other related services to residents on a campus with independent living (IL) apartments, personal care (PC) units and skilled nursing (SN) beds.

Doylestown

Doylestown, located in Doylestown, Pennsylvania, is a CCRC that provides housing, healthcare and other related services to residents on a campus with IL apartments, PC units and SN beds.

Upper Moreland

Upper Moreland, located in Hatboro, Pennsylvania, is a CCRC that provides housing, PC and other related services to residents on a campus with IL apartments, IL cottages and PC units.

Stapeley

Stapeley, located in Philadelphia, Pennsylvania, is a CCRC that provides housing, healthcare and other related services to residents on a campus with IL apartments, PC units and SN beds.

Main Line

Main Line, located in Marple Township, Pennsylvania, is a CCRC that provides housing, healthcare and other related services to residents on a campus with IL units, PC units and SN beds.

Martins Run Home Partners (MRHP) is a controlled entity of Main Line. MRHP operates a home care agency that offers supportive services and a caring staff that emphasize a holistic approach to home based care for older persons with a variety of needs and conditions. MRHP provides programs and services to allow older persons to continue to live independently as long as possible.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization evaluated subsequent events for recognition or disclosure through April 14, 2026, the date the consolidated financial statements were issued.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and temporary investments with financial institutions, which have original maturities of three months or less at the date of purchase, excluding investments and assets whose use is limited. For purposes of the consolidated statements of cash flows, cash, cash equivalents and restricted cash and cash equivalents include investments purchased with an initial maturity of three months or less.

Accounts Receivable, Residents

Resident accounts receivable are reported net of an allowance for credit losses to present the Organization's estimate of expected losses as of the balance sheet date. The adequacy of the Organization's allowance for credit losses is reviewed on an ongoing basis using historical payment trends, write-off experience, analysis of receivables portfolios by payor source and aging, a review of specific accounts, and considerations of expected future economic conditions and market trends. Adjustments are made to the allowance as necessary. Accounts are written off through credit loss expense when the Organization has exhausted all collection efforts and accounts are deemed impaired. The allowance for credit losses was approximately $1,559,000 at December 31, 2025 and $1,756,000 at December 31, 2024. The accounts receivable, residents balance was $2,771,828 at December 31, 2023.

Investments, Assets Whose Use is Limited and Investment Risk

Investments consist of assets set aside for general use of the Organization.

The Organization designated a portion of its investments as assets whose use is limited to comply with the provisions of Section 9 of the Commonwealth of Pennsylvania's Continuing Care Provider Registration and Disclosure Act (Act 82). These designated amounts are classified as statutory liquid reserves on the consolidated balance sheets.

Assets whose use is limited includes assets held by a trustee under a trust indenture for the Series 2017 Bonds and self-insurance reserves. Amounts available to meet current liabilities are classified as current assets on the consolidated balance sheets.

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value on the consolidated balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in revenues less than expenses unless the income or loss is restricted by donor or law. Interest income is measured as earned on the accrual basis. Dividends are measured based on the ex-dividend date. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.

The Organization's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported on the consolidated balance sheets are subject to various risks, including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported on the consolidated balance sheets could change materially in the near term.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Gifts of long-lived assets such as land, buildings or equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Impairment of Property and Equipment

Property and equipment will be evaluated for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. If expected cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of the assets. No impairment losses were recognized in 2025 or 2024 related to property and equipment.

Split-Interest Agreements

The Organization has received, as contributions, various types of split-interest agreements, including charitable gift annuities and perpetual trusts.

Under the charitable gift annuity arrangements, the Organization has recorded the assets at fair value and the liabilities to the donor or their beneficiaries at the present value of the estimated future payments to be distributed by the Organization to such individuals. The amount of the contribution is the difference between the asset and the liability and is recognized in net assets without donor restrictions, unless otherwise restricted by the donor.

Under the perpetual trust arrangements, the Organization has recorded the assets and has recognized the contributions in net assets with donor restrictions at the fair market value of the Organization's beneficial interest in the trust assets. Income earned on the trust assets and distributed to the Organization is recorded as investment income on the consolidated statements of operations and changes in net deficit, unless otherwise restricted by the donor. Subsequent changes in fair value are recorded as a change in beneficial interest in perpetual trusts in net assets with donor restrictions.

Intangible Assets

An indefinite-lived intangible asset of $1,206,000 at December 31, 2024, consists of the nursing home bed licenses for Main Line, which was acquired in 2015. This amount is not amortized but is evaluated for impairment when indicators of a potential impairment are present. During 2025, the intangible asset was determined to be fully impaired, and an impairment loss of $1,206,000 was recorded on the consolidated statement of operations. There is no intangible asset as of December 31, 2025.

Debt Issuance Costs

The Organization incurred costs related to the issuance of long-term debt. These costs are being amortized over the term of the related debt using the straight-line method, which approximates the effective interest method. Amortization expense is included as a component of interest expense and was $137,435 in both 2025 and 2024.

Entrance Fees

Under entrance fee plans for IL units, the Communities receive entrance fee payments in advance.

Pennypack Park offers a nonrefundable contract to its IL residents. The entrance fee paid under this contract has no guaranteed refund component and is refundable on a decreasing basis over 12 months; after 12 months, no refund is due or payable.

Stapeley offers a nonrefundable contract to its IL residents. The entrance fee paid under this contract has no guaranteed refund component and is refundable on a decreasing basis over three months; after three months, no refund is due or payable.

Doylestown, Upper Moreland and Main Line primarily offer a nonrefundable contract to their IL residents. The nonrefundable contract has no guaranteed refund component and is refundable on a decreasing basis for 50 months; after 50 months, no refund is due or payable.

Services provided to the Communities' IL residents under the current entrance fee plans are paid for on a "fee-for-service" basis.

The guaranteed refund component of entrance fees is not amortized to income and is classified as refundable entrance fees on the consolidated balance sheets. The balance of entrance fees received is classified as deferred revenues from entrance fees on the consolidated balance sheets. The deferred revenues are amortized to income over the annually adjusted actuarially determined life expectancy of the residents using the straight-line method, which approximates the period of time that goods and services are expected to be transferred to residents and the performance obligation to the residents is satisfied. Refunds of entrance fees are paid only upon resale and re-occupancy of the IL unit vacated.

Gross contractual refund obligations under existing entrance fee plans approximated $32,400,000 at December 31, 2025.

Deposits

Deposits include security deposits, priority deposits and entrance fee deposits received from residents. No interest accrues on these deposits, and they are refundable, less any expenses incurred on behalf of the resident.

Net (Deficit) Assets

Net (deficit) assets, revenues, gains are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net (deficit) assets and changes therein are classified and reported as follows:

Net Deficit Without Donor Restrictions - This classification includes net deficit available for use in general operations and not subject to donor restrictions. All revenues not restricted by donors and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net deficit without donor restrictions.

Net Assets With Donor Restrictions - This classification includes net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled or both.

Contract Balances

Contract liabilities represent the Organization's obligation to transfer goods or services to a resident for which the Organization has received consideration (or the amount is due) from the patient/resident.

The Organization's beginning and ending contract assets and liabilities are separately presented on the consolidated balance sheets as of December 31, 2025 and 2024. Contracts liabilities as of December 31, 2023 consisted of deferred revenues from entrance fees and prepaid rent of $42,592,745 and $490,634.

Net Resident Service Revenues

Net resident service revenues are reported at the amount that reflects the consideration the Organization expects to receive in exchange for the services provided. These amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Performance obligations are determined based on the nature of the services provided. Net resident service revenues are recognized as performance obligations are satisfied.

Payment terms and conditions for the Organization's resident contracts vary by contract type and payor source, although terms generally include payment to be made within 30 days. Net resident service revenues due from private pay residents for recurring and routine monthly services are generally billed monthly in advance. Net resident service revenues due from Medicare, Medicaid and other third-party payor programs are billed monthly in arrears.

Net resident service revenues are primarily comprised of SN, PC and IL revenue streams, which are primarily derived from providing housing and SN, PC, IL and other related services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Organization has determined that the services included in the stated daily or monthly fee for each level of care represents a series of distinct services that have the same timing and pattern of transfer. Therefore, the Organization considers the services provided to residents in each level of care to be one performance obligation which is satisfied over time as services are provided. As such, SN, PC, IL and related revenues are recognized on a daily or month-to-month basis as services are rendered.

The Organization receives revenue for SN services under third-party payor programs, including Medicare, Medicaid and other third-party payors. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are included in the determination of the estimated transaction price for providing services. The Organization estimates the transaction price based on the terms of the contract and correspondence with the third-party payor and historical payment trends. Retroactive adjustments are recognized in future periods as final settlements are determined.

The Organization applies the practical expedient in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, and therefore, does not disclose amounts for remaining performance obligations that have original expected durations of one year or less.

Pennsylvania Nursing Home Assessment

The Pennsylvania Department of Human Services (the Department) submitted a plan for approval to the Centers for Medicare and Medicaid Services (CMS) related to a per diem assessment on Pennsylvania nursing home providers (the Plan). The Plan was pursued by Pennsylvania in an effort to increase the federal share of Medicaid funding.

The Plan requires the Organization to pay an assessment on its nursing facility days, excluding Medicare Part A days. In turn, the Organization is provided additional reimbursement to the Organization. Plan revenues, net of plan expenses was approximately $1,104,000 in 2025 and $1,228,000 in 2024 and is included in other income on the consolidated statements of operations and changes in net deficit.

Benevolent Care

The Organization provides services to residents who meet certain criteria under its benevolent care policy at amounts less than its established rates. Because the Organization does not pursue collection of amounts determined to qualify as benevolent care, they are not reported as revenue.

The Organization maintains records to identify and monitor the level of benevolent care it provides. Charges forgone, based on established rates for services rendered and supplies furnished, were approximately $460,000 in 2025 and $414,000 in 2024. These amounts are not materially different than the difference between the cost of providing services to residents that qualified for benevolent care and the amounts these residents paid for services rendered.

Measures of Operations and Performance Indicator

The consolidated statements of operations and changes in net deficit include the determination of operating loss and revenues less than expenses (the performance indicator). Operating loss includes only those operating revenues and expenses that are an integral part of the Organization's program activities and net assets released from donor restrictions to support operating expenditures. Revenues less than expenses includes all operating activities, as well as the net unrealized gains on investments.

Changes in net deficit without donor restrictions which are excluded from the determination of the performance indicator, consistent with industry practice, would include related party bad debts and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, if any).

Income Taxes

WEL, Pennypack Park, Doylestown, Upper Moreland, Stapeley, Main Line and the Foundation are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC. Accordingly, no provision for income taxes has been recorded in the consolidated financial statements.

Reclassifications

Certain amounts and balances in the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation.

2. Liquidity and Availability of Resources

Financial assets available for general expenditure within one year of the consolidated balance sheet date, consist of the following at December 31:

	2025	2024
Cash and cash equivalents	$ 3,736,150	$ 1,099,029
Accounts receivable, residents	2,931,907	3,675,652
Entrance fee receivables	363,000	307,500
Investments	31,173,327	27,506,793
Assets whose use is limited, self-insurance reserve funds	4,561,809	4,164,526
Total financial assets	$ 42,766,193	$ 36,753,500

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization invests cash in excess of daily requirements at the discretion of the Board of Directors.

The Organization has certain assets whose use is limited which are available for general expenditure within one year of the consolidated balance sheet date. Accordingly, these assets have been included above. The Organization has other assets whose use is limited, which are restricted in connection with long-term debt arrangements. These assets whose use is limited, which are more fully described in Note 4, are not available for general expenditure within one year of the consolidated balance sheet date and are not reflected above.

The Organization designated a portion of its investments "reserved" to comply with the provisions of Act 82. Although the Organization does not intend to utilize these reserves for general expenditures within one year of the consolidated balance sheet date, the reserves could be made available if necessary.

3. Net Resident Service Revenues

The Organization disaggregates revenues from contracts with residents by type of service and payor source as this depicts the nature, amount, timing and uncertainty of its revenues and cash flows as affected by economic factors.

Net resident service revenues consist of the following for the years ended December 31:

	2025			
	SN	PC	IL	Total
Self-pay	$ 15,435,709	$ 11,071,466	$ 19,214,843	$ 45,722,018
Medicaid	19,832,081	-	-	19,832,081
Medicare	5,626,307	-	-	5,626,307
Commercial insurance	2,695,425	-	-	2,695,425
Total	$ 43,589,522	$ 11,071,466	$ 19,214,843	$ 73,875,831

	2024			
	SN	PC	IL	Total
Self-pay	$ 14,416,256	$ 12,410,930	$ 18,354,669	$ 45,181,855
Medicaid	18,547,339	-	-	18,547,339
Medicare	4,819,910	-	-	4,819,910
Commercial insurance	2,965,281	-	-	2,965,281
Total	$ 40,748,786	$ 12,410,930	$ 18,354,669	$ 71,514,385

Pennypack Park, Doylestown, Stapeley and Main Line have agreements with third-party payors that provide for payments for SN services at amounts different from their established rates. A summary of the principal payment arrangements with major third-party payors follows:

Medicaid - Skilled nursing services provided to Medicaid beneficiaries are paid at prospectively determined rates per day or at rates negotiated with Medicaid Managed Care organizations. These rates vary according to a resident classification system that is based on clinical diagnosis and other factors, and the reimbursement methodology is subject to various limitations and adjustments. The Organization's concentration of skilled nursing in Pennsylvania exposes it to the risk of changes in the state's Medicaid reimbursement system. Rates are calculated by Pennsylvania's Department of Human Services (DHS) on a quarterly basis. They are published in the Pennsylvania Bulletin prior to being finalized.

Medicare - Nursing and ancillary services provided to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments.

As described above, the Medicaid and Medicare Part A rates are based on clinical, diagnostic and other factors. The determination of these rates is partially based on the clinical assessment of SN residents. The Organization's SN facilities are required to clinically assess their residents at predetermined time periods throughout the year. The documented assessments are subject to review and adjustment by the Medicaid and Medicare programs.

4. Fair Value Measurements, Investments and Assets Whose Use is Limited

The Organization measures its investments and assets whose use is limited at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible to the Organization for identical assets or liabilities.

Level 2 - Significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full-term of the instrument through corroboration with observable market data.

Level 3 - Significant unobservable inputs.

The following table presents investments, assets whose use is limited and beneficial interest in perpetual trusts measured at fair value on a recurring basis at December 31, 2025 and 2024:

	2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Investments and assets whose use is limited:				
Mutual funds:				
Growth	$ 4,978,488	$ 4,978,488	$ -	$ -
Blended	9,380,728	9,380,728	-	-
Value	3,620,660	3,620,660	-	-
International	3,898,620	3,898,620	-	-
Fixed income	11,777,396	11,777,396	-	-
Government bonds	423,793	-	423,793	-
Total at fair value	34,079,685	$ 33,655,892	$ 423,793	$ -
Cash and cash equivalents	14,250,485			
Total investments and assets whose use is limited	$ 48,330,170			
Beneficial interest in perpetual trusts	$ 5,471,449	$ -	$ -	$ 5,471,449

	2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Investments and assets whose use is limited:				
Mutual funds:				
Growth	$ 4,801,196	$ 4,801,196	$ -	$ -
Blended	7,670,932	7,670,932	-	-
Value	3,014,035	3,014,035	-	-
International	3,052,017	3,052,017	-	-
Fixed income	10,445,634	10,445,634	-	-
Government bonds	645,138	-	645,138	-
Total at fair value	29,628,952	$ 28,983,814	$ 645,138	$ -
Cash and cash equivalents	15,703,377			
Total investments and assets whose use is limited	$ 45,332,329			
Beneficial interest in perpetual trusts	$ 5,031,686	$ -	$ -	$ 5,031,686

Investments, assets whose use is limited and statutory liquid reserves are presented together in the tables above as there are various investment accounts that are allocated between the assets whose use is limited and statutory liquid reserves lines on the consolidated balance sheets.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies at December 31, 2025 and 2024.

Mutual funds are valued at fair value based on quoted market prices for identical securities in active markets.

Government bonds are valued at fair value based on spreads of published interest rate curves.

The fair value of the beneficial interest in perpetual trusts was determined using the fair values of the investments in the trusts, which approximate the present value of the future distributions expected to be received.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Assets whose use is limited consists of the following as of December 31:

	2025	2024
Assets whose use is limited:		
Assets held by trustee, under trust indenture:		
Series 2017 Bonds:		
Sinking fund	$ 4,022,960	$ 4,021,029
Debt service reserve fund	8,159,348	8,196,012
Entrance fee refund reserve fund	412,726	1,443,969
Self-insurance reserve funds	4,561,809	4,164,526
Total assets whose use is limited	17,156,843	17,825,536
Less current portion	(9,143,353)	(8,767,282)
Noncurrent portion of assets whose use is limited	$ 8,013,490	$ 9,058,254

Investment return was comprised of the following for the years ended December 31:

	2025	2024
Interest and dividends	$ 2,025,474	$ 1,352,014
Net realized gain on sales of investments	279,699	718,430
Total investment income	$ 2,305,173	$ 2,070,444
Net unrealized gains on investments	$ 2,331,131	$ 1,758,272

5. Property and Equipment

Certain amounts and balances in the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation. Property and equipment consists of the following at December 31:

	2025	2024
Land	$ 9,039,707	$ 9,039,707
Land improvements	1,823,547	1,752,680
Building improvements	160,777,708	156,200,919
Furniture, fixtures and equipment	13,475,656	12,823,835
Construction in progress	3,625,382	3,715,129
Total	188,742,000	183,532,270
Less accumulated depreciation	(87,591,702)	(79,349,950)
Property and equipment, net	$ 101,150,298	$ 104,182,320

6. Long-Term Debt

Long-term debt consists of the following at December 31:

	2025	2024
Series 2017A Bonds	$ 95,185,000	$ 95,185,000
Series 2017B Bonds	15,050,000	17,255,000
	110,235,000	112,440,000
Less unamortized debt issuance costs	(1,689,709)	(1,827,144)
Plus bond premium	1,082,816	1,181,556
Less current portion	(2,340,000)	(2,205,000)
Total long-term debt, net	$ 107,288,107	$ 109,589,412

The scheduled principal repayments as of December 31, 2025 are as follows:

Years ending December 31:	
2026	$ 2,340,000
2027	2,480,000
2028	2,625,000
2029	2,790,000
2030	2,965,000
Thereafter	97,035,000
Total	$ 110,235,000

Series 2017 Bonds

In August 2017, the Philadelphia Authority for Industrial Development issued $124,745,000 of Senior Living Facilities Revenue Bonds (the Series 2017 Bonds) on behalf of the Organization. The proceeds from the Series 2017 Bonds were used to refund outstanding bonds and refinance an outstanding term loan; finance various capital projects; fund certain resident refunds, accounts payable, an interest rate swap termination payment and other working capital obligations; fund a Debt Service Reserve Fund; and pay some of the costs of issuing the Series 2017 Bonds.

The Series 2017 Bonds were issued in two components: Series 2017A Bonds totaling $95,185,000 (Tax Exempt) and Series 2017B Bonds totaling $29,560,000 (Federally Taxable). The Series A Bonds are due in varying annual installments beginning July 2031 through July 2049 and bear interest payable semi-annually at an annual rate of 5.00%. The Series B Bonds are due in varying annual installments through July 2031 and bear interest payable semi-annually at annual rates ranging from 5.25% to 6.25%.

The Series 2017 Bonds are secured by a security interest in the Pledged Revenues, as defined, of the Organization's revenues and Open-End Mortgage and Security Agreements on each CCRC campus included in the Organization.

The Organization is subject to financial covenants on debt, which include a debt service coverage ratio and a days cash on hand ratio.

7. Insurance

Workers' Compensation Insurance

The Organization maintains a self-insured workers' compensation program with a per occurrence retention limit of $500,000 and an aggregate retention limit of $2,000,000. The reserve for workers' compensation liability claims was approximately $214,000 at December 31, 2025 and $221,000 at December 31, 2024 and is included in accrued expenses and other current liabilities on the consolidated balance sheets. These estimates are based on assumptions regarding future events for specific claims. Changes in assumptions for such things as medical costs, as well as changes in actual loss experience could cause these estimates to change in the near term.

Professional and General Liability Insurance

The Organization self-insures its general and professional liability exposure, including medical malpractice. The reserve for estimated general and professional liability losses was approximately $4,160,000 at December 31, 2025 and $3,850,000 at December 31, 2024 and is included in accrued expenses and other current liabilities on the consolidated balance sheets. The Organization maintains funds to provide a source of funds and reserves for the payment of general and professional liability claims. The fund balance is recorded at fair value within assets whose use is limited, and is approximately $4,562,000 at December 31, 2025 and $4,165,000 at December 31, 2024.

The Organization established the estimated liabilities for known and unknown general and professional liability matters after consulting with legal counsel. The outcome of known claims cannot be predicted with any certainty, however, and potential future losses related to these matters could have a material adverse effect on Organization's future financial position and results of operations. The Organization does not believe additional incidents have occurred or will be asserted for general and professional liability claims that will have a material adverse effect on the consolidated financial statements.

8. Retirement Plan

The Organization sponsors the WEL Retirement Plan, a defined contribution savings and retirement plan. The Organization contributed approximately $1,330,000 in 2025 and $1,321,000 in 2024 to the WEL Retirement Plan.

9. Functional Expenses

The Organization provides housing and services to its residents. The consolidated financial statements report certain expense categories that are attributable to more than one program service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. The Organization believes substantially all real estate taxes, insurance, depreciation, amortization of intangible assets and interest are applicable to program services. As such, these expenses were reported in program services.

Expenses by both natural and functional classification related to providing these services consist of the following for the years ended December 31:

	2025		
	Program Services	General and Administrative	Total
Salaries and wages	$ 39,459,591	$ 6,318,830	$ 45,778,421
Payroll taxes and employee benefits	8,774,309	2,435,862	11,210,171
Food	3,428,405	-	3,428,405
Supplies	3,166,658	210,446	3,377,104
Utilities	3,062,044	76,239	3,138,283
Contracts	5,625,484	3,852,102	9,477,586
Real estate taxes	1,277,372	-	1,277,372
Insurance	666,780	5,260	672,040
Interest	5,793,466	-	5,793,466
Impairment loss	1,206,200	-	1,206,200
Depreciation	8,222,786	18,966	8,241,752
Credit loss expense	596,037	-	596,037
Total	$ 81,279,132	$ 12,917,705	$ 94,196,837

	2024		
	Program Services	General and Administrative	Total
Salaries and wages	$ 38,282,963	$ 6,090,236	$ 44,373,199
Payroll taxes and employee benefits	8,827,565	2,960,259	11,787,824
Food	3,323,554	-	3,323,554
Supplies	3,046,445	213,353	3,259,798
Utilities	2,710,683	91,109	2,801,792
Contracts	4,737,588	3,976,361	8,713,949
Real estate taxes	1,213,605	-	1,213,605
Insurance	621,398	5,131	626,529
Interest	5,922,615	-	5,922,615
Depreciation	7,953,939	18,943	7,972,882
Credit loss expense	1,349,996	-	1,349,996
Total	$ 77,990,351	$ 13,355,392	$ 91,345,743

10. Contingencies

The senior living services industry is subject to numerous laws, regulations and administrative directives of federal, state and local governments and agencies. Compliance with these laws, regulations and administrative directives is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for resident services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter on the Organization, if any, are not presently determinable.

11. Concentrations of Credit Risk

The Organization grants credit without collateral to its residents, some of whom are insured under third-party payor arrangements, primarily with Medicaid and Medicare.

The Organization maintains cash accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes it is not subject to significant credit risk on its cash accounts.

Wesley Enhanced Living and Subsidiaries

Consolidating Balance Sheet
December 31, 2025

	Pennypack Park	Doylestown	Upper Moreland	Stapeley	Main Line	WEL Foundation	WEL	Elimination Entries	Consolidated Total
Assets									
Current Assets									
Cash and cash equivalents	$ 564,282	$ 731,633	$ 320,013	$ 659,062	$ 529,070	$ 27,767	$ 904,323	$ -	$ 3,736,150
Accounts receivable, residents	746,504	527,325	(4,360)	1,070,722	591,716	-	-	-	2,931,907
Entrance fees receivable	-	-	(11,000)	-	374,000	-	-	-	363,000
Prepaid expenses and other current assets	92,687	220,240	329,218	104,329	253,194	-	272,494	-	1,272,162
Current portion of assets whose use is limited	2,286,955	2,395,621	1,722,055	1,287,432	1,451,290	-	-	-	9,143,353
Total current assets	3,690,428	3,874,819	2,355,926	3,121,545	3,199,270	27,767	1,176,817	-	17,446,572
Investments and Assets Whose Use is Limited									
Investments	-	14,619,757	3,571,251	626,309	1,776,290	5,314,203	554,493	-	26,462,303
Assets whose use is limited, net	813,839	1,409,727	1,899,795	1,504,077	2,386,052	-	-	-	8,013,490
Statutory liquid reserves	558,584	1,023,347	1,449,581	372,036	1,307,476	-	-	-	4,711,024
Total investments and assets whose use is limited	1,372,423	17,052,831	6,920,627	2,502,422	5,469,818	5,314,203	554,493	-	39,186,817
Beneficial Interest in Perpetual Trusts	-	-	-	5,433,959	-	37,490	-	-	5,471,449
Property and Equipment, Net	14,783,690	19,123,552	18,633,772	14,811,392	33,752,940	-	44,952	-	101,150,298
Due From Related Parties	-	24,281,496	3,643,944	-	-	(25,362)	21,617,790	(49,517,868)	-
Cash Held for Residents	73,023	1,580	-	92,628	5,102	-	-	-	172,333
Total assets	$ 19,919,564	$ 64,334,278	$ 31,554,269	$ 25,961,946	$ 42,427,130	$ 5,354,098	$ 23,394,052	$ (49,517,868)	$ 163,427,469

Wesley Enhanced Living and Subsidiaries

Consolidating Balance Sheet
December 31, 2025

	Pennypack Park	Doylestown	Upper Moreland	Stapeley	Main Line	WEL Foundation	WEL	Elimination Entries	Consolidated Total
Liabilities and Net (Deficit) Assets									
Current Liabilities									
Current portion of long-term debt	$ 394,056	$ 404,352	$ 515,034	$ 431,262	$ 595,296	$ -	$ -	$ -	$ 2,340,000
Current portion of annuities payable	-	-	-	-	-	3,125	-	-	3,125
Accounts payable:									
Trade	256,419	300,148	141,916	428,249	333,718	-	280,214	-	1,740,664
Capital related	-	28,270	118,448	-	315,093	-	-	-	461,811
Entrance fee refunds	10,768	16,254	74,415	-	276,465	-	-	-	377,902
Accrued expenses and other current liabilities	2,368,098	1,459,845	277,344	2,630,288	1,736,096	6,610	1,855,567	-	10,333,848
Accrued interest payable	478,915	491,428	625,945	524,133	723,491	-	-	-	2,843,912
Resident prepaid rent	165,481	329,650	178,496	146,993	15,585	-	-	-	836,205
Total current liabilities	3,673,737	3,029,947	1,931,598	4,160,925	3,995,744	9,735	2,135,781	-	18,937,467
Long-Term Debt, Net	18,047,129	18,545,722	23,638,925	19,736,543	27,319,788	-	-	-	107,288,107
Entrance Fees and Deposits									
Deposits	43,736	53,533	62,790	53,447	324,187	-	-	-	537,693
Refundable entrance fees	-	611,264	366,237	-	1,383,394	-	-	-	2,360,895
Deferred revenues from entrance fees	1,087,230	17,325,130	16,604,755	1,082,959	14,796,994	-	-	-	50,897,068
Total entrance fees and deposits	1,130,966	17,989,927	17,033,782	1,136,406	16,504,575	-	-	-	53,795,656
Annuities Payable, Net	-	-	-	-	-	1,514	-	-	1,514
Due to Related Parties	12,610,678	-	-	5,834,077	3,173,040	-	27,900,073	(49,517,868)	-
Cash Held for Residents	73,023	1,580	-	92,628	5,102	-	-	-	172,333
Total liabilities	35,535,533	39,567,176	42,604,305	30,960,579	50,998,249	11,249	30,035,854	(49,517,868)	180,195,077
Net (Deficit) Assets									
Without donor restrictions	(15,615,969)	24,767,102	(11,050,036)	(10,640,420)	(8,909,455)	5,267,850	(6,641,802)	-	(22,822,730)
With donor restrictions	-	-	-	5,641,787	338,336	74,999	-	-	6,055,122
Total net (deficit) assets	(15,615,969)	24,767,102	(11,050,036)	(4,998,633)	(8,571,119)	5,342,849	(6,641,802)	-	(16,767,608)
Total liabilities and net (deficit) assets	$ 19,919,564	$ 64,334,278	$ 31,554,269	$ 25,961,946	$ 42,427,130	$ 5,354,098	$ 23,394,052	$ (49,517,868)	$ 163,427,469

EXHIBIT E

Wesley Enhanced Living and Subsidiaries

Consolidating Statement of Operations and Changes in Net (Deficit) Assets
Year Ended December 31, 2025

	Pennypack Park	Doylestown	Upper Moreland	Stapeley	Main Line	WEL Foundation	WEL	Elimination Entries	Consolidating Total
Net Deficit Without Donor Restrictions									
Revenues, gains and other support:									
Independent living	$ 1,834,468	$ 6,257,529	$ 3,817,698	$ 1,789,983	$ 5,532,268	$ -	$ -	$ (17,103)	$ 19,214,843
Personal care	1,421,371	1,720,447	2,065,116	3,436,954	2,468,576	-	-	(40,998)	11,071,466
Skilled nursing	13,066,119	8,036,198	178	13,040,021	9,447,006	-	-	-	43,589,522
Total net resident service revenues	16,321,958	16,014,174	5,882,992	18,266,958	17,447,850	-	-	(58,101)	73,875,831
Amortization of deferred revenues from entrance fees	399,322	4,087,052	3,063,151	260,739	3,190,850	-	-	-	11,001,114
Investment income	104,773	1,021,027	399,445	147,111	304,271	307,480	21,066	-	2,305,173
Contributions	-	-	-	241,752	42,191	54,775	-	-	338,718
Other income	687,991	427,643	124,807	636,293	1,339,286	-	7,004,604	(6,982,256)	3,238,368
Total revenues, gains and other support	17,514,044	21,549,896	9,470,395	19,552,853	22,324,448	362,255	7,025,670	(7,040,357)	90,759,204
Expenses:									
Personnel	13,252,980	10,288,949	3,539,269	13,349,454	11,446,204	-	5,111,736	-	56,988,592
Contracts	2,324,176	4,209,559	1,822,089	2,592,810	3,762,671	19,882	1,728,655	(6,982,256)	9,477,586
Depreciation	1,165,376	1,613,464	1,837,123	1,072,204	2,534,619	-	18,966	-	8,241,752
Interest	976,613	1,002,130	1,276,366	1,062,334	1,476,023	-	-	-	5,793,466
Food	673,041	831,662	278,959	874,988	769,755	-	-	-	3,428,405
Supplies	853,875	693,898	197,762	863,165	683,593	-	84,811	-	3,377,104
Utilities	557,398	602,659	456,406	607,249	838,332	-	76,239	-	3,138,283
Real estate taxes	5,630	337,840	595,132	-	338,770	-	-	-	1,277,372
Impairment loss	-	-	-	-	1,206,200	-	-	-	1,206,200
Insurance	128,003	124,882	99,826	122,590	191,479	-	5,260	-	672,040
Credit loss expense	100,688	74,996	-	253,691	166,662	-	-	-	596,037
Total expenses	20,037,780	19,780,039	10,102,932	20,798,485	23,414,308	19,882	7,025,667	(6,982,256)	94,196,837
Operating (loss) income	(2,523,736)	1,769,857	(632,537)	(1,245,632)	(1,089,860)	342,373	3	(58,101)	(3,437,633)
Net Unrealized Gains on Investments	116,810	1,128,948	368,682	145,244	232,664	338,783	-	-	2,331,131
Revenues (less than) in excess of expenses	(2,406,926)	2,898,805	(263,855)	(1,100,388)	(857,196)	681,156	3	(58,101)	(1,106,502)
Grants to Communities	-	-	-	-	-	(58,101)	-	58,101	-
Change in net deficit without donor restrictions	(2,406,926)	2,898,805	(263,855)	(1,100,388)	(857,196)	623,055	3	-	(1,106,502)
Change in Net Assets With Donor Restrictions									
Change in beneficial interest in perpetual trusts	-	-	-	439,763	-	-	-	-	439,763
Other changes in restricted net assets	-	-	-	-	(1,402)	-	-	-	(1,402)
Change in net (deficit) assets	(2,406,926)	2,898,805	(263,855)	(660,625)	(858,598)	623,055	3	-	(668,141)
Net (Deficit) Assets, Beginning	(13,209,043)	21,868,297	(10,786,181)	(4,338,008)	(7,712,521)	4,719,794	(6,641,805)	-	(16,099,467)
Net (Deficit) Assets, Ending	$ (15,615,969)	$ 24,767,102	$ (11,050,036)	$ (4,998,633)	$ (8,571,119)	$ 5,342,849	$ (6,641,802)	$ -	$ (16,767,608)

Wesley Enhanced Living and Subsidiaries

Pennsylvania Statutory Minimum Liquid Reserve Calculations
December 31, 2025

	Pennypack Park	Doylestown	Upper Moreland	Stapeley	Main Line
Projected annual interest expense	$ 956,689	$ 982,709	$ 1,252,498	$ 1,048,485	$ 1,447,445
Principal payments due on long-term debt	393,587	404,291	515,284	431,352	595,486
Liquid reserve requirement	$ 1,350,276	$ 1,387,000	$ 1,767,782	$ 1,479,837	$ 2,042,931
Projected annual operating expenses	$ 18,018,828	$ 18,274,058	$ 7,364,204	$ 19,580,823	$ 18,578,774
Minimum rate	10%	10%	10%	10%	10%
Liquid reserve requirement	$ 1,801,883	$ 1,827,406	$ 736,420	$ 1,958,082	$ 1,857,877
Maximum liquid reserve requirement	$ 1,801,883	$ 1,827,406	$ 1,767,782	$ 1,958,082	$ 2,042,931
Approximate percentage of residents under contract	31%	56%	82%	19%	64%
Statutory minimum liquid reserve requirement	$ 558,584	$ 1,023,347	$ 1,449,581	$ 372,036	$ 1,307,476