Pennsylvania
Insurance Department

## CONTINUING CARE RETIREMENT COMMUNITIES ("CCRCs")

**PROVIDER NAME:** LeadsHealth Care Services Inc **EIN:** 830378052

**FACILITY NAME:** Nottingham Village

**D/B/A NAME (if applicable):** _____

**Contact:** Beth Gesumaria **Telephone:** 570-473-2344

**Contact Email address:** bgesumaria@nottinghamvillage.org **Billing Email address:** bgesumaria@nottinghamvillage.org

**Required Filings in the State Of:** Pennsylvania **Filings Made During the Year 2025**

**PENNSYLVANIA DOMESTIC FILERS:**

The Department is paperless filings, we require a billing email addresses. Please ensure contact information on file with the Department is always maintained current. We need contact persons name (CEO or CFO), email ID and contact number with annual filings.

Filings should be made in electronic form only. Further:

1. All Pennsylvania CCRC filings are to be emailed to:
   RA-IN-CCRC@PA.gov
   a. The email subject line should begin with the EIN followed by the provider name and then facility name. **Please do not use d/b/a name for the Provider in email subject line.**
   b. Each document is to be submitted in PDF format.
   c. ZIP files cannot be accepted through the firewall and may result in a late filing. Encrypted files can be accepted and are preferable over a secured portal process.
   d. The document file name for each item should begin with the provider name and a brief document description. (i.e. CCRC Disclosure Statement).
   e. Documents requiring signature should include a wet signature PDF scan.
   f. Please provide a Company contact email address for the Department to address any inquiries and direct invoicing for electronic payment implementation.
2. Electronic filings are required.
3. The scanned documents submitted should reflect the appropriate wet signatures and notary requirement.
4. Filing fee payment can be mailed to the Department, to **ATTN: Hem Mahat**, Administration, PA Insurance Department, 1326 Strawberry Square, Harrisburg, PA 17120 and clearly identify the Provider name, EIN and CCRC renewal fee period. A scanned copy of the fee payment can be included with the electronic submission to facilitate filing review.
5. Questions can be emailed to RA-IN-CCRC@PA.gov



Bureau of Market Actions
1321 Strawberry Square | Harrisburg, Pennsylvania 17120
RA-IN-CCRC@pa.gov

Nottingham Village
58 Neitz Road Northumberland, Pennsylvania 17857
Telephone (570) 473-8366

June 30, 2026

Rucha B. Megha
Financial Analysis Division
Pennsylvania Insurance Department
1321 Strawberry Square
Harrisburg, PA 17120

RE: Leeds Health Care Services, Inc., d/b/a Nottingham Village, annual filing for the year 2025.

Dear Rucha Megha:

Please find enclosed the annual filing for Leeds Health Care Services, Inc., d/b/a Nottingham Village, a Continuing Care Retirement Community, for the year 2025. Included are:

1. CPA audited financial report for the year 2025, including the calculation of statutory liquid reserves and disclosure of all deferred revenues, which is attached to the Disclosure Statement as an exhibit (Exhibit H).
2. CPA qualification letter.
3. CPA awareness letter is not included but is on file.
4. Disclosure Statement as of May 2026.
5. A copy of the current residency agreement is attached as an exhibit to the Disclosure Statement (Exhibit D).
6. Pro Forma Income Statement for 2026.
7. There were no changes in CPA's.
8. Copy of the letter dated May 22, 2026, authorizing the filing of a consolidated statement.
9. There are no changes to Officers or Management in 2025.
10. A copy of the filing fee paid March 27, 2026 is enclosed.

Sincerely,

Leeds Health Care Services, Inc., d/b/a Nottingham Village

Amanda G. Kessler, President

rkl ADVISORS for WHAT'S NEXT

# Certified Public Accountants Qualification Letter

To the Stockholder
Ridgway Holding, Inc. and Affiliates
Northumberland, Pennsylvania

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated financial statements of Ridgway Holding, Inc. and Affiliates (the Company) as of December 31, 2025 and for the year then ended, and have issued our report thereon dated June 5, 2026, in connection therewith, we advise you as follows:

1. We are independent certified public accountants with respect to the Company and conform to the standards of the accounting profession as contained in the Code of Professional Ethics of the AICPA, and the Regulations and Code of Ethics and Rules of Professional Conduct of the Pennsylvania Board of Public Accountancy.

2. The engagement partner, who is a certified public accountant, has over twenty-three years of experience in public accounting and is experienced in auditing continuing care retirement communities and has served as lead audit partner on this engagement for less than five years. Fifty percent of the members of the engagement team are certified public accountants and were assigned to perform tasks commensurate with their training and experience.

3. We understand that the Company intends to file its audited consolidated financial statements, and our report thereon, with the Commonwealth of Pennsylvania Insurance Department and the Commonwealth of Pennsylvania Insurance Commissioner will be relying on that information in monitoring and regulating the financial condition of the Company.

4. Our audit was not planned to satisfy all objectives or responsibilities of insurance regulators. In this context, the Company and the Commonwealth of Pennsylvania Insurance Commissioner should understand that the objective of an audit of consolidated financial statements in accordance with auditing standards generally accepted in the United States of America is to form an opinion and issue a report on whether the consolidated financial statements present fairly, in all material respects, the financial position, results of operations, and changes in net assets and cash flows in accordance with accounting principles generally accepted in the United States of America. Consequently, under auditing standards generally accepted in the United States of America we have the responsibility, within the inherent limitations of the auditing process, to design our audit to obtain reasonable assurance that errors and irregularities that have a material effect on the consolidated financial statements will be detected and to exercise due care in the conduct of the audit. The concept of selective testing of the data being audited, which involves judgment both as to the number of transactions to be audited and the areas to be tested, has been generally accepted as a valid and sufficient basis for an auditor to express an opinion on financial statements. Audit procedures that are effective for detecting errors, if they exist, may be ineffective for detecting irregularities.



5108 E. Trindle Road, Suite 100, Mechanicsburg, PA 17050 717.790.9333 717.790.9171 rklcpa.com

5. Because of the characteristics of irregularities, particularly those involving forgery and collusion, a properly designed and executed audit may not detect a material irregularity. In addition, an audit does not address the possibility that material errors or irregularities may occur in the future. Also, our use of professional judgment and the assessment of materiality for the purpose of our audit means that matters may exist that would have been assessed differently by insurance commissioners.

6. It is the responsibility of the management of the Company to adopt sound accounting policies, to maintain an adequate and effective system of accounts, and to establish and maintain an internal control structure that will, among other things, provide reasonable, but not absolute, assurance the assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

7. The Commonwealth of Pennsylvania Insurance Commissioner should exercise due diligence to obtain whatever other information that may be necessary for the purpose of monitoring and regulating the financial position of continuing care retirement communities and should not rely solely upon the independent auditor's report.

8. We will retain the workpapers prepared in the conduct of our audit until the Commonwealth of Pennsylvania Insurance Department has filed a Report of Examination covering the year ended December 31, 2025, but not longer than seven years and, on instructions from the Company, we will make them available for review by the Commonwealth of Pennsylvania Insurance Department.

9. The engagement partner is licensed by the Commonwealth of Pennsylvania and is a member in good standing of the Pennsylvania Institute of Certified Public Accountants and the American Institute of Certified Public Accountants.

10. To the best of our knowledge and belief, we are in compliance with the requirements of Section 7 of the *Annual Financial Reporting Model Regulation* qualifications of independent certified public accountants.

This letter is furnished solely for filing with the Commonwealth of Pennsylvania Insurance Department and should not be used for any other purpose.

RKL LLP

June 5, 2026
Mechanicsburg, Pennsylvania

# NOTTINGHAM VILLAGE

a
Continuing Care Retirement Community
of
Leeds Health Care Services, Inc.

Located at:

58 Neitz Road
Northumberland, Pennsylvania 17857

Phone: (570) 473-8366

## Disclosure Statement
## May 2026

EQUAL HOUSING OPPORTUNITY

**The issuance of a Certificate of Authority does not constitute approval, recommendation or endorsement of the facility by the Pennsylvania Department of Insurance, nor is it evidence of, nor does it attest to, the accuracy or completeness of the information set out in this Disclosure Statement.**

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*Important Information to Prospective Residents*

Pursuant to the Pennsylvania Continuing Care Provider Registration and Disclosure Act, 40 P.S. Section 3207 et. sec., (the "Act") this Disclosure Statement is being delivered to you at the time of or prior to your execution of a "Residency Agreement," or at the time of or prior to your payment of any money to Nottingham Village. A copy of the Residency Agreement is attached. Your receipt of this Disclosure Statement creates no obligation on your part to execute and deliver an Agreement to the provider, nor does it create any obligation on the part of Nottingham Village.

This Disclosure Statement contains a fair summary of the material enclosed and other terms of the documents purported to be summarized. This Disclosure Statement is furnished to prospective residents and their representatives, and may not be relied upon by any other person.

## SUMMARY OF DISCLOSURE STATEMENT

The following summary is qualified in its entirety by more detailed information appearing elsewhere and referred to in this Disclosure Statement and in the form of Nottingham Village's Residency Agreement attached to this Disclosure Statement.

1. **THE FACILITY:** Nottingham Village provides a continuum of services consisting of Residential Housing for the elderly (hereinafter referred to as "Independent Living"), Personal Care, Dementia Care, and Nursing Care on its existing campus at 58 Neitz Road, Northumberland, Pennsylvania 17857. Phone: (570) 473-8366.

2. **LICENSED PROVIDER:** Leeds Health Care Services, Inc., d/b/a Nottingham Village is a Pennsylvania for-profit corporation. Leeds Health Care Services, Inc.'s principal corporate office is located at 58 Neitz Road, Northumberland, Pennsylvania 17857. Phone: (570) 473-8366.

3. **ADMISSIONS PERSONNEL:** For admissions to the Country Houses Cottages and Independent Living or Personal Care at the Retirement Center, contact Albert Seidel, at 60-62 Neitz Road, Northumberland, Pennsylvania 17857. Phone: (570) 473-8356.
   For admissions to the Nursing Center, contact Michelle Houtz, at 58 Neitz Road, Northumberland, Pennsylvania 17857.
   Phone: (570) 473-8366.

4. **MANAGEMENT PERSONNEL:** Stuart Shebest is the Skilled Nursing Home Administrator for Nottingham Village. Mr. Shebest is located at 58 Neitz Road, Northumberland, PA 17857. Dr. Robert Scott, Medical Director, can be contacted at 58 Neitz Road, Northumberland, PA 17857. The telephone number is 570-473-8366.

5. **DESCRIPTION OF PROPERTY:** Nottingham Village, located in a suburban area, is a continuing care retirement community situated on 38 acres of pristine countryside. It consists of a 121 bed Nursing Center licensed by the Pennsylvania Department of Health. Adjacent to the Nursing Center is the Retirement Center building, consisting of 61 Independent Living and Personal Care apartment units, which is licensed as a 90 bed Personal Care facility by the Pennsylvania Department of Human Services. Adjacent to the Retirement Center building is the Personal Care Center Alzheimer's and Dementia care, known as Heather Court.

The 48-bed building is licensed by the Pennsylvania Department of Human Services. Adjacent to the Nursing Center and to the Retirement Center are 65 retirement cottages, referred to as the "Country Houses." There are presently 2 single family (3-bedroom cottages), 3 duplex (3-bedroom cottages), 1 single family (2-bedroom cottages), and 28 duplex (2-bedroom cottages). There is a limited amount of Country Houses available on a rental basis and the remaining Country Houses are available on a payment of an Entrance Fee.

5. **AGE REQUIREMENTS:** The minimum entrance age for admission to Independent Living units in the Residential Housing and to the Country Houses under the continuing care agreement is 65 years, or at least one co-resident must be 65. If both residents are under the age of 65 years and requesting entrance to the Country Houses, the potential refund will be calculated according to age. There are no minimum age requirements for Personal Care or Nursing Care.

6. **AFFILIATIONS WITH RELIGIOUS, CHARITABLE, OR OTHER NONPROFIT ORGANIZATIONS:** Neither Leeds Health Care Services, Inc. nor any of its affiliates is or ever was affiliated with a religious, charitable, or other nonprofit organization.

7. **CURRENT RESIDENT POPULATION:** Leeds Health Care Services, Inc. d/b/a Nottingham Village currently provides care to 294 Residents on its campus. The current Resident population includes:

| | |
|---|---|
| <u>Nursing Center:</u> | |
| Skilled Nursing Care | 114 Residents |
| | |
| <u>Retirement Center:</u> | |
| Personal Care & Independent Living | 66 Residents |
| | |
| <u>Independent Living at Country Houses:</u> | |
| Rental | 3 Residents |
| Entrance Fee | 65 Residents |
| | |
| <u>Personal Care at Heather Court:</u> | 46 Residents |

## 8. INITIAL ENTRANCE & MONTHLY FEES:

### *a. Entrance Fee Plan:*

Continuing care services are provided to the Residents of the Country Houses in return for payment of an Entrance Fee. An Entrance Fee is only charged to Residents seeking admission to the Country Houses.

Entrance Fees vary according to the size and type of unit. Monthly Service Fees are based on the size of the unit, and there is an additional charge for a second person. The prices listed below reflect a sample of the units available.

**COUNTRY HOUSES COTTAGES – ENTRANCE & MONTHLY FEE PLAN (monthly service fees as of 11/1/2024). Entrance fees vary depending on owner specifications. Below is an example of the refund policy.**

| Entrance Fee Plan | Entrance Fee (Based on 0% Refund) | Entrance Fee (Based on 25% Refund) | Entrance Fee (Based on 50% Refund) | Monthly Fee | Additional Resident | Total Sq. Ft | App. Fee | Accept. Fee |
|---|---|---|---|---|---|---|---|---|
| **Deluxe York**: Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $145,000-$210,000 | $181,250-$262,500 | $217,500-$315,000 | $983 | $210 | 1428 | $500 | $500 |
| **James**: Three-Bedroom Duplex w/Screened Porch and Garage (2 Bathrooms) | $200,000-$275,000 | $250,000-$343,750 | $300,000-$412,500 | $1,090 | $210 | 2000 | $500 | $500 |
| **Norfolk**: Two-Bedroom Expanded Duplex w/Sunroom and Garage (2 Bathrooms) | $195,000-$255,000 | $243,750-$318,750 | $292,500-$382,500 | $1,090 | $210 | 1946 | $500 | $500 |
| **Hampton**: Two-Bedroom w/Sunroom and Oversize Garage (2 Bathrooms) | $210,000-$285,000 | $262,500-$356,250 | $315,000-$427,500 | $1,170 | $210 | 2084 | $500 | $500 |
| **Glouster**: Two- or Three-Bedroom Single w/ Screened Porch and Oversize Garage (2 Bathrooms) | $235,000-$298,500 | $293,750-$373,125 | $352,500-$447,750 | $1,170 | $210 | 2334 | $500 | $500 |
| **Cornwall**: Brick Two-Bedroom Single w/Storage and Garage (2 Bathrooms) | $149,000 | $186,250 | $223,500 | $1,090 | $210 | 1335 | $500 | $500 |

It is expected that the Monthly Service Fee will be increased periodically to cover the increases in the cost of providing services to the Residents. Residents will be given at least 30 days advance notice of any increase in Monthly Service Fees.

Fees associated with the Personal Care Center and Nursing Center are not included in either the Entrance Fee or Monthly Service Fee.

### *b. Rental Plan:*

A non-refundable security deposit is due on the date of occupancy. Thereafter, a Monthly Occupancy Fee is due to Nottingham Village. The Community Fee and Monthly Occupancy Fee are based on the size and type of the unit, and there is an additional charge for a second person. The prices listed below reflect a sample of the rental units available.

**COUNTRY HOUSES COTTAGES – RENTAL PLAN (Effective: 11/1/2024)**

| Rental | Non-Refundable Security Deposit | Monthly Fee | Additional Resident | Total Sq. Ft | App. Fee | Accept. Fee |
|---|---|---|---|---|---|---|
| Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $1,975 | $2,630 | N/A | 1,428 | N/A | N/A |

# RETIREMENT CENTER APARTMENTS – RENTAL PLAN
**(Effective: 11/1/2024)**

| Rental | Square Footage | Application Fee | Acceptance Fee | Non-Refundable Security Deposit | Daily Occupancy Fee | Additional Resident Daily Rate |
|---|---|---|---|---|---|---|
| ***Independent Living:*** | | | | | | |
| Studio | 335 | N/A | N/A | $2,000 | $112 | $75 |
| 1 bedroom | 650-720 | N/A | N/A | $2,000 | $184 | $75 |
| 2 bedrooms | 650-980 | N/A | N/A | $2,000 | $212 | $75 |
| Super Studio *East Wing* | 515-580 | N/A | N/A | $2,000 | $135 | $75 |
| 1 Bedroom Converted – *West Wing* | 640-805 | N/A | N/A | $2,000 | $155 | $75 |

| Rental | Square Footage | Application Fee | Acceptance Fee | Non-Refundable Security | Daily Occupancy Fee | Additional Resident Daily Rate |
|---|---|---|---|---|---|---|
| ***Personal Care:*** | | | | | | |
| Studio | 335 | N/A | N/A | $2,000 | $183 | $130 |
| 1 bedroom | 650-720 | N/A | N/A | $2,000 | $254 | $130 |
| 2 bedrooms | 650-980 | N/A | N/A | $2,000 | $282 | $130 |
| Super Studio East *Wing* | 515-580 | N/A | N/A | $2,000 | $205 | $130 |
| 1 Bedroom Converted – *West Wing* | 640-805 | N/A | N/A | $2,000 | $225 | $130 |

It is expected that the Monthly Occupancy Fee of the Apartments and Country Houses will be increased periodically to cover the increases in the cost of providing services to the Residents. Written notice of any increase in the Monthly Occupancy Fee shall be given to the Resident at least 30 days prior to the end of the preceding term.

Fees associated with Personal Care and Nursing Care are not included in either the Community Fee or Monthly Occupancy Fee.

9. **TAXABLE STATUS:** Neither Leeds Health Care Services, Inc. nor any of its affiliates, is or was ever exempt from payment of Federal Income Tax.

# DISCLOSURE STATEMENT

## BUSINESS ADDRESS, AND TYPE OF LEGAL ENTITY

Leeds Health Care Services, Inc., d/b/a Nottingham Village ("Nottingham Village"), is a Pennsylvania for-profit continuing care retirement community consisting of Residential Housing for the elderly (hereinafter referred to as "Independent Living"), Nursing Care, and Personal Care, located at 58, 60, and 62 Neitz Road, and 281 Ironstone, Northumberland, Pennsylvania 17857. Phone: (570) 473-8366. Leeds Health Care Services, Inc.'s principal office is also located at 58 Neitz Road, Northumberland, Pennsylvania 17857.

## HISTORY AND ORGANIZATION STRUCTURE

### Nursing Center

Elderly care services began on the campus in 1981. Nottingham Health Care Services, Inc. was the owner and operator of the 121 bed Nursing Center from 1981 to December 25, 2003 and was the owner and operator of the attached 40 bed Personal Care Center from 1991 to January 1, 2004.

On December 25, 2003, all operations of the Nursing Center were transferred from Nottingham Health Care Services, Inc. to Leeds Health Care Services, Inc. On December 25, 2003, all of the employees of Nottingham Health Care Services, Inc., including management, were also transferred to Leeds Health Care Services, Inc., thus ensuring continuity of efficient operations.

On January 1, 2004, all operations of the Personal Care Center were transferred from Nottingham Health Care Services, Inc. to Leeds Health Care Services, Inc. Ownership of the Nursing Center and Personal Care Center remain with Nottingham Health Care Services, Inc.

In January 2018, Heather Court Personal Care was added as a newly built stand-alone Personal Care building. This building was added to Nottingham Village Retirement Center Associates, L.P. All operations and employees remain with Leeds Health Care Services, Inc.

Leeds Health Care Services, Inc. leases the Nursing Center from Nottingham Health Care Services, Inc. whose address is at 58 Neitz Road, Northumberland, Pennsylvania 17857. A copy of the Lease Agreement is attached as Exhibit "A."

**Retirement Center & Country House Cottages**

In 1984, Nottingham Village Retirement Center Associates, L.P. ("NVRCA") constructed 36 Independent Living apartments known as the Retirement Center. In 1988, NVRCA began construction of Country Houses which are located adjacent to the Retirement Center. In 2002, NVRCA constructed a large addition to the Retirement Center and relicensed it as a 90 bed Personal Care Center for personal care and independent living which consists of 34 studio apartments (34 beds), 24 one-bedroom apartments (48 beds), 4 two-bedroom apartments (8 beds).

On January 1, 2004, NVRCA created a subsidiary, Nottingham Village Retirement Center, LLC, which assumed operations of the Retirement Center and Country Houses from NVRCA. As was the case with the Nursing Center, all employees of NVRCA became employees of the new operating company, Nottingham Village Retirement Center, LLC, again ensuring continuity of efficient operations. Upon approval of our Application for Certificate of Authority of Leeds Health Care Services, Inc., which occurred in September, 2005, all operations and employees of Nottingham Village Retirement Center, LLC were transferred to Leeds Health Care Services, Inc., for the purpose of centralization of management and operations. Ownership of the Retirement Center and the Country Houses remains with NVRCA.

In January 2018, Heather Court was added as a newly built stand-alone Personal Care building. This building was added to Nottingham Village Retirement Center Associates, L.P. All operations and employees remain with Leeds Health Care Services, Inc.

Leeds Health Care Services, Inc. leases the Retirement Center, Heather Court, and the Country Houses from NVRCA whose address is at 60 Neitz Road, Northumberland, Pennsylvania 17857. A copy of the Lease Agreement is attached as Exhibit "B."

## Organization

Leeds Health Care Services, Inc., Nottingham Health Care Services, Inc., Ridgway Holding, Inc., and Nottingham Village Retirement Center Associates, L.P. are separate legal entities with common ownership which is explained below.

- ***Nursing Center.*** Leeds Health Care Services, Inc. is the operator of the Nursing Center on the Nottingham Village campus. Nottingham Health Care Services, Inc. is the owner of the Nursing Center and leases the Nursing Center to Leeds Health Care Services, Inc. A copy of the Lease Agreement is attached as Exhibit "A". Ridgway Holding, Inc. is the sole shareholder in Nottingham Health Care Services, Inc. and Leeds Health Care Services, Inc. The Estate of Frederick D. Kessler is sole shareholder of Ridgway Holding, Inc., a PA business corporation, located at 58 Neitz Road, Northumberland, PA.

- ***Country Houses, Heather Court, & Retirement Center (Independent Living & Personal Care).*** Leeds Health Care Services, Inc. is the operator of 65 Independent Living Cottages known as "Country Houses." The Retirement Center building is comprised of 61 apartments consisting of 33 studio apartments (34 beds), 24 one-bedroom apartments (48 beds), and 4 two-bedroom apartments (8 beds). The Retirement Center is licensed as a 90 bed Personal Care Center and offers both Independent Living and Personal Care. Heather Court is a secured building which is licensed as a 48 bed Personal Care Center. Nottingham Village Retirement Center Associates, L.P. leases the Retirement Center, Heather Court, and the Country Houses to Leeds Health Care Services, Inc. A copy of the Lease Agreement is attached as Exhibit "B." The partners of Nottingham Village Retirement Center Associates, L.P. are as follows:

| | |
|---|---|
| Amanda G. Kessler, Sole Limited Partner | 99% |
| Nottingham Management, LLC, General Partner | 1% |

The Estate of Frederick D. Kessler is sole member of Nottingham Management, LLC, and a PA Limited Liability Company, located at 58 Neitz Road, Northumberland, PA.

A copy of a Corporate Organizational Chart is attached as Exhibit "C."

## BOARD OF DIRECTORS & GOVERNANCE

The sole Officer and Director of Leeds Health Care Services, Inc. is Amanda G. Kessler. Andrew R.S. Misener is Secretary/ Treasurer. Leeds Health Care Services, Inc. is operated as a subsidiary of its parent company, Ridgway Holding, Inc., ("Ridgway"), located at 58 Neitz Road, Northumberland, PA 17857.

The Officers of Ridgway are Amanda G. Kessler, President and Andrew R.S. Misener, Secretary/ Treasurer. Amanda G. Kessler maintains her business address at 173 Point Township Drive, Northumberland, Pennsylvania, 17857. Nottingham Village Retirement Center Associates, a Pennsylvania Limited Partnership is an affiliated company. As of May 1, 2024, the Sole Limited Partner is Amanda Kessler and the General Partner is Nottingham Management LLC.

## MANAGEMENT PERSONNEL

***Frederick D. Kessler*** received a Bachelor of Arts Degree at Bucknell University and a Juris Doctor Degree from Dickinson School of Law. Mr. Kessler also received a Master's Degree in taxation from New York University Graduate School of Law. Mr. Kessler was engaged in the general practice of law in Lewisburg, Pennsylvania, until 2004. Mr. Kessler, in conjunction with others, has developed and operated nursing homes in Lewisburg, Lewistown, and Northumberland, Pennsylvania. Nottingham Village's Nursing Center was opened in 1977. In 1981, Mr. Kessler incorporated Nottingham, which then purchased the Nursing Center from Twin Rivers Nursing Center, Inc., of which Mr. Kessler was a minority shareholder. Mr. Kessler was a licensed Nursing Home Administrator. He served on the State of Pennsylvania Board of Examiners for Nursing Home Administrators from 1996 to November 2005, and served on the Board of Directors of the Pennsylvania Health Care Association from 2002 to 2018. Since 1981 Mr. Kessler has devoted much of his time to the orderly growth and expansion of Nottingham Village, until his passing on October 25, 2018.

***Virginia A. Kessler*** received her B.A. Degree from Bucknell University. She served on the Board of Trustees of the Fetherston Foundation, a charitable trust that operates a public museum in Lewisburg. Ms. Kessler served on the local Board of Directors of Northern Central Bank, now merged into M & T Bank and was actively engaged in the affairs of Nottingham Village since its inception in 1981. She was a licensed Nursing Home Administrator and served as the Nursing Home Administrator of Nottingham Nursing Center from 1981 until 1993. She served as the Controller of Nottingham Village from 1993 until 2018. In October 2018, Virginia Kessler was named President of Nottingham Village and actively served in that role until her untimely passing on March 30, 2024.

***Amanda G. Kessler*** received her B.A. degree in English from Bucknell University and a Juris Doctor Degree from the William and Mary School of Law. She also graduated from the New York University Graduate School of Law with a Master's Degree in Taxation. Ms. Kessler is a member of the Pennsylvania and New Jersey Bar. She worked as a Corporate Tax consultant for the accounting firm of Ernst & Young in New York in 1998-1999. Since 1999, Ms. Kessler has worked for Synergy Health Systems, Inc., now Synergy Grandview Pharmacy, Inc., which is an institutional pharmacy for nursing homes, assisted living facilities and other institutions. Ms. Kessler is presently CEO of Synergy Grandview Pharmacy, Inc. and serves as Counsel for Nottingham Village.

Effective November 2021, Ms. Kessler accepted the position as CEO at Nottingham Village. She serves on the Board of Directors of Ridgway, and also as a consultant to many of the business operations of Nottingham Village. Ms. Kessler has served on the Board of Directors and as a Vice-President of the Greater Susquehanna Valley Chamber of Commerce and on the Board of Trustees of Bucknell University. Ms. Kessler has served on the Board of Directors of Friends of Joseph Priestley House Museum, and on the Board of WITF, a not-for -profit public radio and television station. She is presently serving on the Board of Directors of Evangelical Community Hospital, a not-for-profit community hospital in Lewisburg, PA, the Board of Directors of the Northumberland National Bank, and the Board of Directors at Pennsylvania Health Care Association (PHCA). As of May 1, 2024, Amanda G. Kessler is serving as President of Leeds Health Care Services, Inc.

***Andrew R. Misener*** received a A.B. Degree at Brown University and a Juris Doctor Degree from Cardozo Law School and a Finance Degree from New York University. Mr. Misener co-founded a Voice Recognition Company in 1998 which was sold in 2002 and then he co-founded a financial services company located in Purchase, NY in 2002.

Mr. Misener served on the Planning Commission for East Buffalo Township from January 2014 until December 2021. Mr. Misener joined Nottingham Village in 2005 and was initially responsible for revamping and building the technology infrastructure currently in use at the facility. Mr. Misener's other responsibilities include overseeing construction and infrastructure projects. Mr. Misener serves as the Treasurer and Secretary of Leeds Health Care Services, LLC. As of January 9, 2025, Andrew R. Misener is the President of Eagle Construction.

***Dr. Robert D. Scott, MD*** is the Medical Director at Nottingham Village since October 2008. He holds a BS degree in Chemistry from Wilkes University and Doctor of Medicine from the University of Pittsburgh. Dr. Scott is Board Certified Internal Medicine and completed his Residency at the University of Pittsburgh Medical Center in 1995. For the majority of his career, Dr. Scott has worked in Family Practice and Primary Care Centers throughout PA. In addition to serving as Medical Director at Nottingham Village, Dr. Scott is employed at Wellspan Evangelical Hospital as an "as needed PRN" Emergency Department Physician.

***Stuart P. Shebest, LNHA*** is the current Operating Administrator at Nottingham Village in Northumberland, PA. He holds degrees in Health and Human Services at Slippery Rock University and in Health Care Administration at Marywood College. With a 30 - year career in Skilled Nursing and Senior Living, Mr. Shebest has held various leadership roles including Activity Director, Admission Director, Personal Care Home Administrator, and since 2006, Licensed Nursing Home Administrator (NHA). Mr. Shebest operated nine skilled nursing facilities across Northeastern and Central Pennsylvania, primarily with HCR Manor Care. In 2020, he joined Premier HealthCare as a Regional Director of Operations, overseeing seven facilities in South Central PA and the Greater Pittsburgh Area.
Mr. Shebest has been an active member of Pennsylvania's long-term care associations, for the last 18 years with Pennsylvania Healthcare Association (PHCA), where he has served on several committees. He is also a longtime board member of the Susquehanna Valley Greater YMCA and currently serves on the Board of Director for the Northumberland Housing Authority.

***Kristie Koch*** received a BS in Recreation Management, with a concentration in Therapeutic Recreation, at Lock Haven University of Pennsylvania. She also achieved Minors in Psychology and Special Education from Lock Haven University of Pennsylvania. In 2010 she became licensed as a Certified Therapeutic Recreation Specialist. In 2021 she earned certification as a Personal Care Home Administrator. Ms. Koch joined Nottingham Village in 2010 and was integral in expanding the recreational and life enrichment offerings of the campus. In 2021 she assumed the role of Senior Living Administrator for the Personal Care, Secure Dementia Care Unit, and Independent Living portion of Nottingham Village.

***Beth A. Gesumaria*** is the Chief Financial Officer. Ms. Gesumaria graduated, with highest honors, from Misericordia University with a Bachelor of Science degree in accounting. Ms. Gesumaria joined the Nottingham Team in May 2020 as the Staff Accountant. Effective March 2021, she was promoted to Senior Accountant and in December 2024 was named Chief Financial Officer. Prior to Ms. Gesumaria to working at Nottingham, Ms. Gesumaria was a Bank Officer/ Branch Sales Manager for Citizens Bank. Ms. Gesumaria gained extensive accounting experience as an Accountant in the Controller's Office for Northumberland County and the Commonwealth of Pennsylvania. Ms. Gesumaria currently serves on the Selinsgrove Seals Football Booster Club as Treasurer and Ms. Gesumaria is currently serving as Cubmaster for the Kratzerville Cub Scout Pack 3441.

None of the individuals listed herein have been convicted of a felony or pled *nolo contendere* to a felony charge or have been held liable or enjoined in a civil action by final judgement involving fraud, embezzlement, fraudulent conversion, or misappropriation of property.

Unless disclosed herein, no officer, director, manager, or other person having 10% or greater beneficial or equity interest in the Provider, has 10% or greater interest in a professional service, firm, association, trust, partnership, or corporation which has or presently intends to provide goods, leases, or services to the facility of a value of $500 or more, within any year.

## AFFILIATIONS WITH RELIGIOUS, CHARITABLE, OR OTHER NONPROFIT ORGANIZATION

Neither Nottingham Village nor any of its affiliates is or ever was affiliated with a religious, charitable, or other nonprofit organization.

## DESCRIPTION OF PHYSICAL PROPERTY

The campus of Nottingham Village is located in a suburban area within Point Township, Northumberland County, Pennsylvania, and is situated on approximately 38 acres along Strawbridge Road, just outside the borough of Northumberland.

The property consists of 65 two- and three-bedroom Independent Living Cottages, a 121 bed Nursing Center, and an apartment building ("Retirement Center") comprised of 61 Apartments which are utilized for Independent Living and Personal Care. The apartment building is licensed as a 90 bed Personal Care Center. Completed in 2018 was a new building for Alzheimer's and other dementia care, known as Heather Court, located adjacent to the Retirement Center building.

Proximity to medical resources is excellent. Geisinger Medical Center, a large regional tertiary hospital and research facility, is within a 20-minute drive. Evangelical Community Hospital, in Lewisburg, is within a 15-minute drive. Additionally, Evangelical Community Hospital maintains a family practice physicians' office on the Nottingham Village campus, staffed with a board-certified family practice physician. Within the same building is located a general dentistry practice.

Adjacent to the Nursing Center is the Retirement Center apartment building which consists of 34 studio apartments, 24 one-bedroom apartments, 4 two-bedroom apartments, numerous common rooms, including living rooms, large central dining room, an all-purpose room, additional dining areas, exercise room, computer room, and expanded activities room. The Retirement Center was licensed in 2002 as a 90 bed Personal Care Center and offers Personal Care (assistance with activities of daily living), and Independent Living.

In 1988, Nottingham Village began construction of duplex and single retirement cottages, known as Country Houses, which are comprised of 2 single family cottages (3 bedrooms), 1 single family cottage (2 bedrooms), 3 duplex cottages (3 bedrooms), and 28 duplex cottages (2 bedrooms) for a total of 65 Independent Living Cottages. The cottage units have always been constructed a few units at a time, so as to permit gradual market absorption of the units. Marketing of constructed units has always been successful, and it is not anticipated that any additional units constructed over the next years will encounter any marketing difficulties. Should marketing difficulties be encountered, however, the pace of construction will simply be slowed to match the pace of market absorption.

In January, 2018, a new building for care of residents with Alzheimer's and other forms of dementia was dedicated. The building is approximately 41,000 square feet, and divided into four separate neighborhoods. Each neighborhood accommodates 12 residents, all in mostly private accommodations, and a few with semi-private. The surroundings are quiet and serene, and represent the latest standards of care for those residents so afflicted with Alzheimer's or other dementias.

## RESIDENT FEES FOR INDEPENDENT LIVING

Continuing care services are provided to the Residents of the Country Houses in return for payment of an Entrance Fee. An Entrance Fee is only charged to Residents seeking admission to the Country Houses. The fees and admission process are explained below.

**Country Houses – Entrance Fee Plan**

- ***Non-Refundable Application Fee.*** To reserve a residence for occupancy, the future Resident will submit a Residency Application Form (including a personal financial statement and physician's health history), along with an application fee of $500.00 to Nottingham Village. Nottingham Village will promptly notify the Resident of their decision.

- ***Acceptance Fee.*** A $500.00 Acceptance Fee is due upon signing the Residency Agreement. A copy of the Country Houses Entrance Fee Plan Residency Agreement is attached as Exhibit "D."

  The Residency Agreement may be rescinded by the future Resident by giving Nottingham Village written notice within 7 days of execution by signing the Notice of Right to rescind that is attached to the Residency Agreement. At the signing of the Residency Agreement by the Resident, there will be no increase in the Entrance Fee.

***Entrance Fee.*** Entrance Fees vary according to the size, type of unit and refund option. The total Entrance Fee is due on the date of occupancy. Nottingham Village may use the Entrance Fee for any purpose consistent with the mission of Nottingham Village. Monthly Service Fees also vary according to the size and type of unit, and there is an additional charge for a second person.

It is expected that the Monthly Service Fee for the Country Houses will be increased periodically to cover the increases in the cost of providing services to the Residents.

Reference should be made to the Residency Agreement for further information.

**The fees below reflect a sample of the units available; the entrance fee will vary depending on the specifications of the home. (Rates effective: 11/1/2024). Entrance fees vary depending on owner specifications. Below is an example of the refund policy.**

| Entrance Fee Plan | Entrance Fee (Based on 0% Refund) | Entrance Fee (Based on 25% Refund) | Entrance Fee (Based on 50% Refund) | Monthly Fee | Additional Resident | Total Sq. Ft | App. Fee | Accept. Fee |
|---|---|---|---|---|---|---|---|---|
| **Deluxe York**: Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $145,000-$210,000 | $181,250-$262,500 | $217,500-$315,000 | $983 | $210 | 1428 | $500 | $500 |
| **James:** Three-Bedroom Duplex w/Screened Porch and Garage (2 Bathrooms) | $200,000-$275,000 | $250,000-$343,750 | $300,000-$412,500 | $1,090 | $210 | 2000 | $500 | $500 |
| **Norfolk:** Two-Bedroom Expanded Duplex w/Sunroom and Garage (2 Bathrooms) | $195,000-$255,000 | $243,750-$318,750 | $292,500-$382,500 | $1,090 | $210 | 1946 | $500 | $500 |
| **Hampton:** Two-Bedroom w/Sunroom and Oversize Garage (2 Bathrooms) | $210,000-$285,000 | $262,500-$356,250 | $315,000-$427,500 | $1,170 | $210 | 2084 | $500 | $500 |
| **Glouster:** Two- or Three-Bedroom Single w/ Screened Porch and Oversize Garage (2 Bathrooms) | $235,000-$298,500 | $293,750-$373,125 | $352,500-$447,750 | $1,170 | $210 | 2334 | $500 | $500 |
| **Cornwall**: Brick Two-Bedroom Single w/Storage and Garage (2 Bathrooms) | $149,000 | $186,250 | $223,500 | $1,090 | $210 | 1335 | $500 | $500 |

## Country Houses - Rental Plan

At the time of signing the Residency Agreement, the Resident agrees to pay to Nottingham Village a one-time non-refundable security deposit. A copy of the Country Houses Rental Residency Agreement is attached as Exhibit "E." There is no additional Monthly Occupancy Fee for a second person.
The fees below relate to the units available for rental. (Rates effective: 11/01/2024)

| Rental | Non-Refundable Security Deposit | Monthly Fee | Additional Resident | Total Sq. Ft | App. Fee | Accept. Fee |
|---|---|---|---|---|---|---|
| Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $1,975 | $2,630 | N/A | 1,428 | N/A | N/A |

The Residency Agreement may be rescinded by the future Resident by giving Nottingham Village written notice within 7 days of execution by signing the Notice of Right to rescind that is attached to the Residency Agreement.

## Apartments – Rental Plan

| Rental | Square Footage | Application Fee | Acceptance Fee | Non-Refundable Security | Daily Occupancy Fee | Additional Resident Daily Rate |
|---|---|---|---|---|---|---|
| ***Independent Living:*** | | | | | | |
| Studio | 335 | N/A | N/A | $2,000 | $112 | $75 |
| 1 bedroom | 650-720 | N/A | N/A | $2,000 | $184 | $75 |
| 2 bedrooms | 650-980 | N/A | N/A | $2,000 | $212 | $75 |
| Super Studio *East Wing* | 515-580 | N/A | N/A | $2,000 | $135 | $75 |
| 1 Bedroom Converted – *West Wing* | 640-805 | N/A | N/A | $2,000 | $155 | $75 |

| Rental | Square Footage | Application Fee | Acceptance Fee | Non-Refundable Security | Daily Occupancy Fee | Additional Resident Daily Rate |
|---|---|---|---|---|---|---|
| ***Personal Care:*** | | | | | | |
| Studio | 335 | N/A | N/A | $2,000 | $183 | $130 |
| 1 bedroom | 650-720 | N/A | N/A | $2,000 | $254 | $130 |
| 2 bedrooms | 650-980 | N/A | N/A | $2,000 | $282 | $130 |
| Super Studio East *Wing* | 515-580 | N/A | N/A | $2,000 | $205 | $130 |
| 1 Bedroom Converted – *West Wing* | 640-805 | N/A | N/A | $2,000 | $225 | $130 |

At the time of signing the Residency Agreement, the Resident agrees to pay to Retirement Center a one-time Community Fee. A copy of the Rental Residency Agreement is attached as Exhibit "E." There is an additional monthly charge for a second person. The fees below relate to the independent units available for rental.

The Residency Agreement may be rescinded by the future Resident by giving Nottingham Village written notice within 7 days of execution by signing the Notice of Right to rescind that is attached to the Residency Agreement.

It is expected that the Monthly Occupancy Fee of the Apartments and Country Houses will be increased periodically to cover the increases in the cost of providing services to the Residents.

Written notice of any increase in Monthly Occupancy Fees shall be given at least thirty (30) days prior to the effective date of such increase.

## REFUND POLICY

### Entrance Fee Plan - Country Houses – Refund Policy

- ***Application Fee.*** After submission of the Application for Admission and payment of the fee, and submission of the prospective Resident's medical records and financial statements, one-half of this fee will be refunded if the prospective Resident's application is not accepted. The refund is payable within 10 days after notification to the prospective Resident that he or she has not been accepted. If the prospective Resident terminates the application after submission thereof, no refund will be made.

- ***Acceptance Fee.*** This Fee must be paid within a specified time after notice to the prospective Resident that their application has been accepted. As none of this fee is payable until acceptance of the prospective Resident, no refund of this fee will be made if the prospective Resident terminates the Application for whatever reason.

- ***Entrance Fee.***

    - **Before Occupancy Date** – For termination before the occupancy date, the future Resident (or Resident's estate) shall be entitled to a refund according to the following schedule:

        - The Residency Agreement may be rescinded by the future Resident by giving Nottingham Village written notice within 7 days of execution by signing the Notice of Right to rescind that is attached to the Residency Agreement. The future Resident will be entitled to a full refund of Entrance Fee payments, if the future Resident rescinds the Residency Agreement within 7 days in accordance with the Notice of Right to Rescind.

- If the Residency Agreement is terminated by reason of Resident's death, illness, injury, or incapacity prior to occupying the unit, a full refund of the Entrance Fee will be made to the prospective Resident or his or her estate less any amounts deducted to cover expenses incurred by Nottingham.

- **After Occupancy Date** – The Resident shall have the right, at any time prior to death, to terminate the Residency Agreement by giving Nottingham Village 120 day's written notice of Resident's intention to do so. For termination after the occupancy date for any reason, the Resident (or Resident's estate) shall be entitled to a refund corresponding to the Entrance Fee plan they elected upon admission. These Refund Rate Schedules are included in Exhibit "L".

  Nottingham will make a refund of the refundable portion of the Entrance Fee and/or less any amounts deducted to cover costs incurred by Nottingham Village to refurbish, restore, or repair the residence unit in the event of unreasonable wear and tear, and/or less costs incurred at Resident's specific request, and/or less any unpaid charges.

  If the Residency Agreement has been entered into by Co-Residents, and the Residency Agreement has been terminated as to one of the Residents, for whatever reason, no refund shall be due or payable to that Resident for the reason that the Residency Agreement is non-divisible, and remains in full force and effect until terminated as to the remaining or surviving Co-Resident.

  If a refund is due, the refund due the Resident will be paid upon the Resident's unit being reoccupied by another Resident or within one year of terminating the agreement and surrender of the Residence, whichever occurs sooner. All sales effective, January 2020 and thereafter, the refund due to the Resident will be paid upon the Resident's unit being reoccupied by another Resident.

**Rental Fee Plan - Country Houses and Retirement Center Apartments – Refund Policy**

- **After Occupancy Date** – Resident shall have the right, at any time prior to death, to terminate the Residency Agreement by giving Nottingham Village 30 days written notice of Resident's intention to do so. For termination after the occupancy date for any reason, Resident (or Resident's estate) shall be entitled to a refund according to the following schedule:

    - In the event of termination for any reason, in the case of the rental Country Houses, Resident will be entitled to a refund of the unused portion of the Monthly Occupancy Fee, unless Resident failed to provide Nottingham with 30 days advance written notice of termination, less any amounts deducted to cover costs incurred by Nottingham Village to refurbish, restore, or repair the residence unit in the event of unreasonable wear and tear, and/or less costs incurred at Resident's specific request, and/or less any unpaid charges.

    - In the event of termination for any reason, in the case of the apartments at the Retirement Center building, Resident will be entitled to a refund of the unused portion of the Monthly Occupancy Fee, unless Resident failed to provide Nottingham with 30 days advance written notice of termination, less any amounts deducted to cover costs incurred by Nottingham Village to refurbish, restore, or repair the residence unit in the event of unreasonable wear and tear, and/or less costs incurred at Resident's specific request, and/or less any unpaid charges.

If the Residency Agreement has been entered into by Co-Residents, and the Residency Agreement has been terminated as to one of the Residents, for whatever reason, no refund shall be due or payable to that Resident for the reason that the Residency Agreement is non-divisible, and remains in full force and effect until terminated as to the remaining or surviving Co-Resident. As long as the Resident, or in the case of double occupancy, a Co-Resident, continue to occupy any Residence within Nottingham Village, including accommodations in the separately licensed distinct part of Nottingham Village for Personal Care or Nursing Care Services, no refund shall be due and no refund shall be paid until the Resident's permanent transfer, discharge or voluntary departure outside Nottingham Village, or in situations of double occupancy, both Co-Residents, and the termination of the Residency Agreement.

## MONTHLY SERVICE FEE

### Entrance Fee/Country Houses.

- From and after the occupancy date, the Resident will be obligated to pay to Nottingham Village a Monthly Service Fee in exchange for standard services. The Monthly Service Fee may be adjusted by Nottingham Village from time to time. A table showing current Monthly Service Fee is attached as Exhibit "F."

- Nottingham Village will provide notice to the Resident of any proposed change in the Monthly Service Fee not less than 30 days before the effective date of such proposed change.

- The amount of the Monthly Service Fee in effect at the time the Residency Agreement is executed will be clearly stated in the Residency Agreement.

### Rental Units.

- From and after the occupancy date, the Resident will be obligated to pay to Nottingham Village a Monthly Occupancy Fee in exchange for standard services. The Monthly Occupancy Fee may be adjusted by Nottingham Village from time to time.

- Written notice of any increase in the Monthly Occupancy Fee shall be given to the Resident at least 30 days prior to the end of the preceding term.

- The amount of the Monthly Occupancy Fee in effect at the time the Residency Agreement is executed will be clearly stated in the Residency Agreement.

### Services Included.

The benefits and services included in the Monthly Occupancy Fee (Rental Unit) or Monthly Service Fee (Entrance Fee Country Houses) for Independent Living are water, sewer, taxes, insurance, trash, telephone and cable jacks, maintenance, washer and dryer, management, reserves for repairs and replacements, premises activities, and scheduled shopping trips to local shopping malls and grocery stores.

**Miscellaneous Additional Services and Charges.**

- All other services including housekeeping, laundry services, maintenance service, tray service, meals, transportation, bed-making, snow removal from vehicle, cable, telephone and beauty/barber are available at an additional charge to the Nottingham Village Residents in accordance to the schedule of such fees which is attached as Exhibit "F."

- Not included in the Entrance Fee or in the Monthly Occupancy Fee/Monthly Service Fee are nursing services, medical services, or other health-related services. If a Resident needs care within the Personal Care or Nursing Center, an Admission Agreement is signed for that area of care.

Reference should be made to the Residency Agreement for further information.

## PERSONAL CARE AND NURSING SERVICES

- A resident may be required to relinquish any personal care accommodations if the Resident no longer satisfies the conditions of occupancy as reflected in the Residency Agreement and may be required to move to an alternative care facility. Health care services for Residents are determined under the supervision of the campus Medical Director. The Resident is responsible for the total cost of Nursing and/or Personal Care. The Fee Schedule for these services is attached as Exhibit "G."

- Residents will have priority access to the Nursing Center at Nottingham Village in accordance with Nottingham Village policy. Residents must satisfy all admission criteria as a condition for eligibility to participate in the priority access policy.

- Upon admission to the Nursing Center, Residents pay the current daily rate for the level of care provided and must continue to pay the Monthly Service Fee for their Independent Living unit, if it is their desire to maintain and return to the unit.

- The fees associated with Personal Care will vary depending upon the accommodations selected by the Resident.

- The daily rate for Personal Care generally includes private or semi-private accommodations, 24-hour response, medication assistance, housekeeping/linen services, use of walker or wheelchair when medically necessary, and three nutritious meals provided daily. Reference should be made to the Residency Agreement for further information.

The daily rate for the Nursing Center generally includes routine nursing care, private or semi-private accommodations, linen and bedding, and three nutritious meals per day. Additional services will be available at an additional charge to include, but are not limited to:

- Prescription Medications
- Medical Supplies Chargeable
- Physical, Speech, and Occupational Therapy
- Podiatrist Services
- Laboratory Studies
- Appointment Transportation/Accompaniment
- X-rays
- Beauty/Barber
- Cable Television Charges
- Telephone Charges
- Physician Fees
- Personal Laundry

## Inability to Pay

If Resident's income and assets are no longer sufficient to pay the Monthly Fee and any other financial obligations under this Agreement, then the Community shall deduct from any funds otherwise due Resident as a refund, amounts necessary to fulfill all of Resident's financial obligations under this Agreement. Resident hereby authorizes such deductions from any unamortized portions of the Entrance Fee. The Community shall make such deductions from any refunds otherwise due under this Agreement at such time as any amounts due the Community under this Agreement have been unpaid for more than thirty (30) days from the payment due date. The Community shall continue to make such deductions from any amounts otherwise due as a refund under this Agreement on a monthly basis to offset any unpaid financial obligations of resident until all funds otherwise due Resident as a refund have been exhausted and paid to the Community. The Community offers no other financial assistance to the resident and reserves the right to terminate this Agreement should the resident exhaust all financial resources. In cases where a Resident's financial resources prove inadequate, the Resident may request special financial consideration by Nottingham Village.

## RESERVE FUNDS

**Reserve Funds.**

The amount of the reserve, or security, has been established by the greater of the total of all principal and interest payments due during the next 12 months on account of any mortgage loan or other long-term financing of the entrance fee cottages, or 10% of the projected annual operating expenses of the entrance fee cottages exclusive of depreciation. RKL LLP, Leeds Health Care Services, Inc.'s independent certified public accountant, has determined that the total of all such principal and interest payments during the next 12 months (January 1, 2026 - December 31, 2026) will be $ 0. The accountant has also determined that the total of such annual operating expenses of all of the cottages and the Retirement Center apartments will be $ 4,678,217 for the year 2026 and 10% being $ 467,822. In a facility such as Nottingham Village, where many of the residents are not under continuing-care agreements, the reserve, or security, has been computed only on the proportional share of financing or operating expenses that is applicable to residents who have paid an entrance fee or otherwise entered into a continuing-care agreement with Leeds Health Care Services, Inc. In this case 40.16% is the percentage of entrance fee residents as compared to the total number of all residents of the cottages and the Retirement Center apartments. This percentage of 40.16% applied to the number of $ 467,822 yields a result of $ 187,900.00. Accordingly, reserves in the amount of at least $187,900.00 will be established and maintained. The reserve funds will be held in an interest-bearing account at the Northumberland National Bank, or First National Bank, under the direction and control of Leeds Health Care Services, Inc., subject to the provisions of the Continuing-Care Provider Registration and Disclosure Act. See Exhibit "H".

## FINANCIAL STATEMENTS

A Certified Financial Statement of Leeds Health Care Services, Inc. for the period of January 1, 2025 through December 31, 2025, as prepared by Leeds Health Care Services, Inc.'s Certified Public Accountants, RKL LLP, is attached as Exhibit "J."

## RESIDENCY AGREEMENT

All terms of the agreement are reflected in the Residency Agreement. Residents should review the Residency Agreement for further explanation. Attached as Exhibit "D" is a copy of the Residency Agreement for the Country Houses Entrance Fee Plan.

## RESIDENT RIGHT TO ORGANIZE

Residents shall have the right to elect a Residents' Council to represent the welfare and concerns of the Residents. A representative of the Board of Directors will hold quarterly meetings with Residents for purposes of free discussion of topics related to living at Nottingham Village. Residents will be given at least 7 days' notice of all such meetings.

**Receipt**

The undersigned hereby acknowledges delivery and receipt of Nottingham Village's Disclosure Statement dated fill in with current date of disclosure statement- and all attachments, including a copy of the Resident Agreement and the Notice of Right to Rescind.

_____

Signature of Resident

_____

Signature of Resident

_____

Signature of Responsible Party/Family Member (if applicable)

_____

Date

# EXHIBIT

# A

# LEASE AGREEMENT

This Lease Agreement (the "Agreement") is made and entered into this 25th day of December, 2003, by and between NOTTINGHAM HEALTH CARE SERVICES, INC., a Pennsylvania corporation (the "Landlord") and LEEDS HEALTH CARE SERVICES, INC., a Pennsylvania corporation (the "Tenant").

WITNESSETH:

WHEREAS, the Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, certain space for the Tenant's operation of a nursing facility and adjacent personal care home.

NOW THEREFORE, in consideration of the premises and covenants set forth herein, and intending to be legally bound hereby, the parties agree as follows:

## 1. PREMISES

1.1 Premises to be Leased. Landlord leases to Tenant and Tenant leases from Landlord the following premises: the 121 bed skilled nursing facility and 40 bed personal care facility located at Strawbridge Road, Northumberland, Pennsylvania (the "Building"), as more fully described in Exhibit A attached hereto (the "Premises"). Landlord's lease of the Premises to the Tenant shall include the right to exclusive use of the Premises.

## 2. TERM

2.1 Original Term. The initial term of this Agreement (the "Term") shall be ten (10) years, which shall commence on December 25, 2003 and shall expire on December 24, 2012.

2.2 Occupancy. Upon execution of this Agreement, Landlord shall permit Tenant and Tenant's representatives, agents and contractors to enter the Premises before the commencement of the Term for the purpose of undertaking any renovations and improvements of the Tenant that are in accordance with the terms of this Agreement.

2.3 Renewal Terms. The Agreement shall automatically renew at the end of the then current term for additional ten (10) year terms, unless either party provides written notice to the other party at least ninety (90) days before the end of the then current term of its intent not to renew. During any additional term, the parties shall be governed by all the terms, conditions and covenants in this Agreement including the rental amount, which shall be increased in accordance with Article 3.

## 3. RENT

3.1 Rent – Initial Term. During the first year of the initial term, Tenant shall pay to Landlord the base sum of five hundred four thousand ($504,000) dollars, as minimum rent, payable in equal monthly installments of forty-two thousand ($42,000)

dollars. After the first year of the initial term, the rent will be adjusted in accordance with Section 3.2.

3.2 Adjustment to Rent. Effective December 25, 2004, and for each December 25 thereafter in which this Agreement is in effect, for the annual period of December 25 through December 24, the monthly rental amount shall be equal to the monthly rental amount for the immediately preceding annual period, as increased by a percentage equal to the percentage change in the Consumer Price Index for all urban customers (CPI-U, US City Average 1982-84=100) over the preceding twelve month period; provided, however, that no such increase in the monthly rental amount shall increase more than five percent (5%) from the previous annual period.

3.3 Rental Payments. All monthly rental payments (and obligations deemed to be additional rent) shall be received by the Landlord on or before the first day of each month at the address listed in Section 13.11 (or any other such place as Landlord may from time to time designate in writing). Any rent not paid and received within fifteen (15) days of its due date shall be subject to a one percent (1%) late charge. All rental payments shall be made without demand or setoff.

## 4. CONDUCT OF BUSINESS

4.1 Permitted Uses. During the term of the Agreement, Tenant shall use the Premises to operate a personal care facility and skilled nursing facility known as Nottingham Village (the "Facility") in accordance with this Section 4, and for no other purposes without Landlord's prior written consent. Tenant's unauthorized use of the Premises shall constitute an event of default entitling Landlord to the remedies set forth in Section 10.

4.2 Scope of Use. Tenant is the exclusive owner, operator and manager of the operating assets of Facility during the term of this Agreement. As owner of the Facility, the Tenant shall have full responsibility and authority to operate and manage the Facility and to fulfill its duties hereunder, including without limitation to: (i) operate and maintain the Facility as a personal care facility and skilled nursing facility providing assisted living and nursing care services; (ii) collect all room and board revenue, as well as other revenue, and timely pay all debts and other obligations relating to the Facility, including operating expenses, fixed expenses and taxes; (iii) ensure the Facility complies with applicable Federal, state and local laws and regulations; (iv) provide all necessary services to ensure that the Facility provides quality care to its residents; (v) recruit, hire and train personnel as needed for the operation of all departments and services of the Facility; (vi) maintain such bank accounts as may be necessary or desirable for the operation of the Facility (the "Operating Accounts"); (vii) establish salary levels, performance standards, personnel policies and employee benefits; and (viii) take all other actions necessary or desirable to operate and manage the Facility in accordance with prudent practice and industry standards.

4.3 In performing its duties, the Tenant (through its staff or independent contractors) shall perform the following with respect to the Facility, as well as any other matters reasonably related thereto commencing upon the date of this Agreement:

4.3.1 Bookkeeping. Support decentralized Facility information system that provides systems management for the following areas:

- Accounts Payable
- Marketing
- Financial Reporting
- General Ledger

The Tenant shall be responsible for billing the collection of Accounts Receivables which are in arrears.

4.3.2 Legal Counsel. (i) Prepare or coordinate with outside counsel for preparation of documents for operation of the Facility, including resident agreements, supplier/vendor contracts, service contracts, equipment leases and other ancillary contracts; (ii) prepare or coordinate licensure and other regulatory applications; (iii) coordinate all litigation involving the Facility with appointed counsel or insurance company; (iv) coordinate with local counsel on local law issues affecting the Facility; (v) process working capital requests and apply for, negotiate and obtain letters of credit; and (vi) provide legal counsel or coordinate with local counsel to provide counsel to the Facility's Human Resources Department.

4.3.3 Accounting/Taxes. (i) Provide an accountant to supervise all accounting activities; (ii) implement accounting policies and guidelines; (iii) provide a cash management system; (iv) deposit in Operating Accounts established in the Facility's name all funds received from the operations of the Facility, satisfy obligations of the Facility from such Operating Accounts, and not commingle funds in the Operating Accounts with any other funds; (v) provide operations expertise through site visits and strategies to maximize fiscal performance; and (vi) develop and implement a budget for operations, capital outlay and cash requirements. Deposits may be made by appropriate officer of the Tenant or its designee. All information necessary for the preparation of taxes will be provided to the preparer.

4.3.4 Human Resources. (i) Implement all personnel policies and guidelines; (ii) recruit management personnel of the Facility, including separate directors/administrators for the personal care portion of the Facility and nursing portion of the Facility; (iii) provide on-going training for the directors/administrators of the personal care and nursing portions of the Facility ; (iv) respond to all government compliance agencies and legal proceedings as necessary; (v) implement and monitor safety/loss control programs; (vi) develop and implement career planning and manpower development strategies; (vii) recruit, employ and train personnel as needed for the operation of all departments and services of the Facility; and (viii) establish salary levels, performance standards, personnel policies and employee benefits for all employees within applicable budgetary and regulatory limits.

4.3.5 Program Development. (i) Provide ongoing program development and management consultation; (ii) supply select program manuals for local modification and implementation; and (iii) provide program development/management training.

4.3.6 Quality Management. Provide model quality management systems and implement such including risk management, resident/family satisfaction, licensing and accreditation and program evaluation.

4.3.7 Marketing/Communication. (i) Direct and supervise marketing efforts; (ii) train staff in marketing skills; (iii) organize strong sales efforts within the target area, develop program mix strategies, and assist in developing marketing plans for the Facility or assist third party vendors to develop such plans; (vi) establish an intake/admission system and continuously review the admission process; (v) take reasonable efforts to lease resident rooms to maximize occupancy of the residents in the Facility; and (vi) develop and produce Facility selected promotional literature.

4.3.8 Contracting. Negotiate and execute contracts and agreements related to the Facility with third parties and parties affiliated with the Tenant; provided that all contracts and agreements with parties affiliated with the Tenant shall be on terms no less favorable than terms for comparable contracts and agreements with unaffiliated parties.

4.3.9 Miscellaneous.

4.3.9.1 Obtain and maintain all licenses and certifications required for operation of the Facility and use reasonable efforts to procure eligibility for participation in other applicable referral or payor programs.

4.3.9.2 Purchase supplies, using procurement practices in accordance with industry standards, and lease equipment under national and regional agreements or purchase contracts of the Tenant or its affiliated companies.

4.3.9.3 Review and analyze the performance of ancillary services under contract and negotiate contractual arrangements therefore.

4.3.9.4 Maintain books and records for the Facility at the Tenant's home office.

4.3.9.5 Order, supervise and conduct a program of regular maintenance and repair of the Facility.

4.3.9.6 Supervise and provide for the operation of food service facilities for the Facility.

4.3.9.7 Make periodic evaluations of the performance of all departments of the Facility and investigate and report, upon request, any inconsistency between expenditures and budget.

4.3.9.8 Implement all policies and procedures reasonably necessary for the operation of the Facility consistent with applicable regulations.

4.3.9.9 Foster a working relationship between Tenant and any authorized volunteer or auxiliary groups interested in providing support to the Facility and residents of the Facility.

4.4 Additional Uses. The Tenant shall be responsible for providing all services necessary or desirable for the efficient and orderly management and operations of the Facility. The Tenant shall actively utilize staff specialists in its employ or that of its affiliates in such areas as accounting, budgeting, marketing, reimbursement, dietary, housekeeping, and clinical in the management of the Facility when considered desirable by the Tenant.

## 5. MAINTENANCE

5.1 Tenant's Maintenance. Tenant shall maintain the Premises and any fixtures, machinery or equipment therein, in good repair and condition, and shall be responsible for all repairs, interior and exterior, regardless of cost. The term "maintain" as used in this Agreement shall include but not be limited to repairs, replacements, redecorating, repainting and cleaning. Upon expiration or termination of the Agreement, Tenant shall deliver the Premises to Landlord in as good condition and repair as existed on the commencement of the initial term, reasonable wear and tear excepted. Tenant shall be responsible for all repairs (and all necessary replacements) to the interior plumbing, windows, window glass, plate glass and doors; the heating, ventilation and air conditioning equipment; and the interior of the Premises in general. Tenant is also responsible for the removal of trash in or about the Premises and the cost of janitorial services provided therein.

5.2 Failure to Maintain Premises. In the event that Tenant should neglect to reasonably maintain the Premises, Landlord shall have the right, but not the obligation, to cause repairs or corrections to be made, and any reasonable costs therefor shall be payable by Tenant to Landlord as additional rent on the next rental payment date.

5.3 Repairs and Maintenance of Building. Landlord shall have no responsibility for making structural repairs to the Building. All such repair and maintenance work shall be the sole responsibility of the Tenant.

## 6. IMPROVEMENTS, ALTERATIONS AND RENOVATIONS

6.1 Tenant's Renovations, Improvements and Alterations. Tenant may not renovate, improve or alter the interior of the Premises without Landlord's prior written consent, which shall not be unreasonably withheld or delayed. All such renovations, improvements or alterations shall be made at Tenant's sole cost and expense. All

plans and specifications prepared for Tenant with respect to such renovations or improvements shall be subject to the Landlord's approval and further subject to compliance with all applicable laws, codes and regulations, including any necessary governmental approvals. Landlord shall have the right to make reasonable changes to such plans and specifications which, in Landlord's reasonable opinion, are necessary or beneficial and which do not adversely affect the Premises or Tenant's intended use thereof. If the parties cannot agree that Tenant has satisfactorily completed its improvements, renovations or alterations, the matter shall be settled by arbitration in accordance with the then prevailing rules of the American Arbitration Association.

6.2 Signs and Directional Devices. At its sole cost and expense, Tenant shall be entitled to erect such lawful signs and directional devices within the Building as it deems necessary for its intended use with respect to the Premises, subject to receiving any necessary governmental approvals, and subject to receiving Landlord's prior written consent.

6.3 Liens. Tenant shall keep the Premises, the Building and the property on which the Building is located, free from any liens arising from any work performed, materials furnished or obligations incurred for renovations, improvements or alterations performed on the Premises by or on behalf of the Tenant. Before Tenant commences or contracts for any work in or about the Premises for which a lien could be filed against the Premises, the Building or the property on which the Building is located, Tenant shall enter a written agreement providing for a waiver of and a stipulation against liens, signed by all contractors who are to perform work on Tenant's behalf. Such agreement shall be acceptable to Landlord and shall be executed before the commencement of any work in or about the Premises. No work on the Premises which Landlord permits Tenant to perform under this Agreement shall be deemed for the immediate use and benefit of Landlord, so that no liens shall be allowed or charged against Landlord as a result of any consent given by Landlord to Tenant to renovate, improve or alter the Premises. Tenant shall promptly pay all persons furnishing labor, work and materials on behalf of Tenant or its contractor in or about the Premises. If any lien shall at any time be filed against the Premises, the Building or the property on which the Building is located as a result of work, labor, services or materials performed or furnished on behalf of Tenant, or at its direction, Tenant shall cause such lien to be discharged of record within sixty (60) days of its filing. If Tenant shall fail to cause the discharge of any such lien, such failure shall be deemed an event of default, entitling Landlord to the remedies set forth in Article 10.

## 7. OTHER OBLIGATIONS OF LANDLORD AND TENANT

7.1 Taxes and Assessments. During the initial Term and any renewal thereof, Tenant shall pay and fully discharge all taxes, special assessments, and governmental charges of every character imposed on the Premises.

7.2 Utilities and Services. Tenant shall pay for all utilities and services furnished to or used in the Building and the Premises, including but not limited to water, heat, electricity, air conditioning, trash removal and sewage.

7.3 Insurance.

7.3.1 Tenant's Public Liability and Property Damage Insurance. At its sole cost and expense, Tenant shall purchase and maintain policies of comprehensive general liability insurance, covering the Premises generally, the business operated by Tenant in and about the Premises and the contractual liability of Tenant under the Agreement, in such form and with such insurers as are acceptable to Landlord. Such policies shall also insure Tenant against damages to its property within the Premises by fire, flood and other casualty and standard extended coverage perils. Such policies shall be in commercially reasonable amounts, but in any event, shall have limits of at least: $1,000,000 with respect to property damage; $1,000,000 with respect to death or personal injuries to any one person; and $2,000,000 arising out of any one occurrence. Such insurance may be included in a blanket policy or policies. Such policies shall name Landlord and Tenant as named insureds and shall provide that any insurance proceeds shall be paid to Landlord and Tenant jointly, which proceeds shall be used to pay any liability or property damage claims against Landlord and/or Tenant.

7.3.2 Insurance. At its sole cost and expense, Tenant shall purchase and maintain insurance on the Building against damage by fire, flood and other casualty and standard extended coverage perils in an amount equal to the full replacement costs thereof, and shall provide public liability insurance in such amounts and with such deductions as Tenant considers appropriate.

7.3.3 Tenant's Workers' Compensation and Other Insurance. At its sole cost and expense, Tenant shall maintain any legally required limits of workers' compensation insurance on all persons which it employs and such other forms of insurance as may be required by law.

7.3.4 Other Insurance Matters. All insurance required under this Agreement shall be obtained from and issued by insurance companies authorized to do business in the Commonwealth of Pennsylvania. In addition, all such insurance shall contain an endorsement requiring thirty (30) days prior written notice to the named insured before cancellation or change in the coverage, scope or amount of any policy. In addition, within ten (10) days of Landlord's written request, Tenant shall furnish Landlord with certificates of all required insurance prior to commencement of this Agreement and at such other times as Landlord may require from time to time.

7.3.5 Failure to Maintain Insurance. If Tenant does not maintain the requisite insurance in full force and effect, Landlord may notify Tenant of such failure, and if Tenant does not deliver to Landlord within ten (10) days of such notice a certificate showing that all such insurance is in full force and effect, Landlord may either: (a) deem Tenant in default and pursue the remedies set forth in Article 10; or (b) secure the necessary insurance coverage itself. In the event that Landlord elects to secure the necessary insurance coverage,

Tenant agrees to reimburse Landlord on demand for any amount so paid, with interest thereon at the annual rate of ten percent (10%) from the date of such payment by Landlord until repaid by Tenant.

7.3.6 Subordination. This Agreement is and shall be subject to and subordinate to all mortgages which may now or hereafter be secured against the Building or Premises, and to all renewals, modifications, consolidations, replacements and extensions of such mortgages. This section shall be self-operative and no further instrument of subordination shall be required by any mortgagee or other party; provided, however, that Tenant, within fifteen (15) days of Landlord's written request, shall execute any certificate that Landlord may reasonably require that acknowledges such subordination.

## 8. FIRE AND CASUALTY DAMAGE

8.1 Total and Partial Destruction. If, prior to the commencement of the Agreement or during the Agreement, the Premises are totally or substantially destroyed by fire, flood or other casualty, or if the Premises are rendered totally or partially inaccessible or unusable for Tenant's use of the Premises, Tenant's sole remedy shall be the right to terminate the Agreement without further liability by either party. Tenant shall be permitted to terminate the Agreement under this subsection if, in Landlord's reasonable opinion, more than eighty percent (80%) of the Premises is destroyed or rendered unusable for Tenant. In such event, Tenant shall vacate the Premises within five (5) days of the destruction and the Agreement shall terminate, and Tenant's obligations thereunder shall abate, upon such action by Tenant, so long as Tenant is not in default. If the Premises should be damaged by fire, flood or other casualty, but not to an extent that more than eighty percent (80%) of the Premises is destroyed or rendered unusable by the Tenant, the Agreement shall continue, but the rent shall be reduced to reflect any portion of the Premises which have been rendered totally unusable, as reasonably determined by the Landlord in its sole discretion.

8.2 Condemnation. If, prior to commencement of the Agreement or during the Agreement, all or any part of the Premises should be taken for any public or quasi-public use under any governmental law, regulation or ordinance, or by right of eminent domain, or if it should be sold to the condemning authority under threat of condemnation, the Agreement shall terminate and the rent shall be abated during the unexpired portion of the Agreement, effective as of the date the Tenant vacates (or is required to vacate) the Premises. In such event, Landlord shall be entitled to receive the entire condemnation award and related damages, and the parties' rights and obligations shall cease upon the date of Tenant's vacation, provided that Tenant is not at that time in default of its obligations under the Agreement.

## 9. INDEMNITY

9.1 Tenant Indemnification. Tenant agrees to indemnify and hold Landlord harmless against any and all claims, demands, costs and expenses, including reasonable attorneys' fees for the defense thereof, arising from: (a) the use, conduct or management of Tenant's business in the premises or the common areas of the

Building and the property on which the Building is located; (b) Tenant's breach or default of any term, condition or covenant of this Agreement or Tenant's violation of any law relating to its use of the Premises, the Building or the property on which the Building is located; (c) the act, omission or negligence of Tenant, its agents, contractors, employees, subtenants, concessionaires, invitees, customers, licensees, trespassers or any other individuals or entities in or about the Premises or the common areas of the Building or the property on which the Building is located; (d) any accident, injury or damage, loss or theft of property in or about the Premises resulting from any cause other than Landlord's intentional acts or negligence; or (e) Tenant's failure to comply with any applicable regulations, ordinances, governmental orders or statutes. In the event of any action brought against Tenant and/or Landlord as the result of any such claim, Tenant, at its sole cost and expense, upon notice from Landlord, will defend such action with counsel acceptable to Landlord.

9.2 Landlord Indemnification. Landlord agrees to indemnify and hold Tenant harmless against any and all claims, demands, costs and expenses, including reasonable attorneys' fees for the defense thereof, arising from: (a) Landlord's breach or default of any term, condition or covenant of this Agreement or Landlord's violation of any law relating to its use of the Premises, the Building or the property on which the Building is located; (b) the act, omission or negligence of Landlord, its agents, contractors, employees, subtenants, concessionaires, invitees, customers, licensees, trespassers, or any other individuals or entities in or about the Premises or the common areas of the Building or the property on which the Building is located; or (c) Landlord's failure to comply with any applicable regulations, ordinances, governmental orders or statutes. In the event that any action brought against Landlord and/or Tenant as the result of any such claim, Landlord, at its sole cost and expense, upon notice from Tenant, will defend such action by counsel acceptable to Tenant.

## 10. DEFAULT AND REMEDIES

10.1 Default by Tenant. The occurrence of any of the following shall constitute a material breach and a default by Tenant, entitling Landlord to the rights and remedies set forth in Section 10.2:

10.1.1 If Tenant shall allow the rent to be in arrears and unpaid more than five (5) days after receiving written notice of such delinquency;

10.1.2 Recordation of this Agreement, assignment of Tenant's interest herein, or subletting the Premises or any portion thereof, without Landlord's prior written consent;

10.1.3 Tenant's petitioning for relief under any chapter of the United State Bankruptcy Code, or the filing of any involuntary petition of bankruptcy against Tenant, if the petition is not dismissed within sixty (60) days of its filing;

10.1.4 Tenant's breach of any term, condition or covenant of this Agreement, which continues uncured for a period of thirty (30) days after Tenant receives written notice of such breach;

10.1.5 Tenant's default of its other obligations in this Agreement, which continues uncured for a period of thirty (30) days after Tenant receives written notice of such default;

10.1.6 Tenant's intentional violation of any law, including but not limited to those laws governing its use of the Premises;

10.1.7 Tenant's failure to use the Premises in such manner as to permit Landlord's purchase of liability insurance at commercially reasonable rates;

10.1.8 Tenant's loss of any license, certification or other regulatory approval required to operate an outpatient chemotherapy services center at the Premises.

10.2 Landlord Remedies. In the event of Tenant's breach and default under Section 10.1, Landlord at its option, may exercise any or all of the following remedies:

10.2.1 Re-enter and take possession of the Premises, remove Tenant's property to storage at Tenant's expense, relet the Premises, or any part thereof, for all or any part of the remainder of the then current term of the Agreement, to a party satisfactory to Landlord, and at such monthly rental as Landlord may with reasonable diligence be able to secure. Should Landlord be unable to relet after reasonable efforts to do so, or should such monthly rental be less than the rental Tenant was obligated to pay under the Agreement (including obligations deemed to be additional rent and the expenses for reletting and storing Tenant's property), then Tenant shall pay the amount of such deficiency to Landlord plus interest at ten percent (10%) per annum until the date of payment;

10.2.2 Cure any breach or default by Tenant at Tenant's cost. If, as a result of Tenant's breach or default, Landlord is required to pay any sum or to perform any act requiring a monetary payment, then such sum shall be deemed immediately due from Tenant to Landlord, and shall bear interest at the maximum legal rate from the date of Landlord's initial payment until Tenant fully reimburses Landlord. The sums advanced by Landlord and reimbursed by Tenant (inclusive of interest) shall be deemed additional rent;

10.2.3 Accelerate all rent and additional rent due for the balance of the then current term of the Agreement and declare the same immediately due and payable;

10.2.4 Terminate this Agreement by providing written notice of such termination to Tenant;

10.2.5 Exercise any other remedy available to Landlord at law or in equity.

10.3 Cumulative Remedies. All rights and remedies of Landlord under this Agreement shall be cumulative and the exercise of one or more of them shall not be deemed to preclude any other right or remedy. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises.

10.4 Landlord Default and Tenant Remedies. Landlord's breach of any material term, condition or covenant of this Agreement, which continues uncured for a period of thirty (30) days after Landlord receives written notice of such breach, shall entitle Tenant to terminate the Agreement.

10.5 Exercise of Remedies by Landlord. In any situation which might constitute a material breach and default by Tenant set forth above, for which a period is stated for cure, and action by the Members of Tenant may be necessary in order to effectuate a cure, Landlord may exercise its rights and remedies under this Agreement only if it has acted consistently with the business interests of Tenant in attending and voting at any necessary meeting of the Members of the Tenant held for the purposes of effectuating a cure after notice hereunder.

10.6 Mutual Agreement. This Agreement may be terminated upon the mutual written agreement of both the Landlord and the Tenant.

## 11. INSPECTION BY LANDLORD

11.1 Inspection. Tenant shall permit Landlord and its agents to enter into and upon the Premises at reasonable times and in a reasonable manner for the purpose of inspecting the Premises or for the purpose of maintain or making improvements, repairs or alterations to the Building.

## 12. ASSIGNMENT, SUBLETTING AND RECORDATION

12.1 Assignment and Subletting by Landlord. Landlord shall have the unlimited right to assign this Agreement, or any interest therein, or to lease, sublet or sell portions of the remainder of the Building not covered by this Agreement.

12.2 Assignment and Subletting by Tenant. Tenant is expressly prohibited from assigning its interest in this Agreement, or subletting the Premises, without the prior written consent of Landlord.

12.3 Recordation. Tenant shall be prohibited from recording this Agreement without the prior written consent of Landlord.

## 13. GENERAL PROVISIONS

13.1 Parking. As a conditions of this Agreement, Tenant, its agents, employees, licensees, patients, visitors and other invitees may park vehicles in the parking facilities located adjacent to the Building. Such use shall be in common with other tenants of the Building and particular spaces shall not be set aside specifically for Tenant's uses.

13.2 Amendment. No amendment, modification, or alteration of this Agreement shall be binding unless in writing and signed by both parties.

13.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successor and assigns, where permitted by this Agreement.

13.4 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

13.5 Governing Law. This Agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the Commonwealth of Pennsylvania.

13.6 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, regulation or otherwise.

13.7 Waiver of Default. The waiver by either party of a breach or default of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

13.8 Force Majeure. Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service or employment deemed resulting, directly or indirectly, from acts of God, civil, or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, or other similar or dissimilar cause beyond the reasonable control of either party.

13.9 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

13.10 Additional Rent. All sums of money or charges required to be paid by Tenant under the Agreement, whether or not designated as "additional rent", shall for all purposes be deemed to be such and shall be paid by Tenant as rent. If any such payment or charge is not paid when due, it shall be payable with the regular monthly installment of minimum rent due immediately thereafter.

13.11 Notices. Any notice, demand, or communication required, permitted, or desired to be given hereunder, shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return-receipt requested, addressed as follows:

LANDLORD:

Nottingham Health Care
Services, Inc.
Strawbridge Road
Northumberland, PA 17857

TENANT:

Leeds Health Care Services, Inc.
Strawbridge Road
Northumberland, PA 17587

or to such other address, and to the attention of such other person(s) or officer(s) as either party may designate by written notice.

13.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and all of which, when taken together shall constitute one and the same instrument.

13.13 Assistance of Counsel. Each party acknowledges that it has had the opportunity to be represented by counsel of its choice with respect to this Agreement. In view of the foregoing and notwithstanding any otherwise applicable principles of construction or interpretation, this Agreement shall be deemed to have been drafted jointly by the parties, and in the event of any ambiguity, shall not be construed or interpreted against the primary drafting party.

13.14 Entire Agreement. This Agreement supersedes all previous contracts and constitutes the entire Agreement between the parties relating to the subject matter covered by this Agreement. The parties shall be entitled to no other benefits than those specified herein with respect to the subject matter of this Agreement. No oral statements or prior written material not specifically incorporated herein shall be of any force and effect and no changes in or additions to this Agreement shall be recognized unless incorporated herein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned Landlord and Tenant, by their duly authorized representatives, execute this Agreement on the day, month and year first written above.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

NOTTINGHAM HEALTH CARE SERVICES, INC.

ATTEST: _____
Sec.

By: _____

Name: Frederick D. Kessler

Title: Pres.

LEEDS HEALTH CARE SERVICES, INC.

ATTEST: _____
Sec.

By: _____

Name: Frederick D. Kessler

Title: Pres.

EXHIBIT "A"

Description of Premises

ALL that certain tract of land situate in the Township of Point, Northumberland County, Pennsylvania, and being more fully bounded and described as follows:

**BEGINNING** at a set concrete monument on the eastern right-of-way line of Township Road No. 568, said point being the northwest corner of the within described tract of land; thence along lands of Roy T. Sulouff, Sough eight-two degrees no minutes forty-eight seconds East, a distance of four hundred eighty feet (S. 82° 0' 48" E, 480.00') to a set iron pin; thence South seven degrees fifty-nine minutes twelve seconds West a distance of four hundred thirty-seven and nine hundredths feet (S. 7° 59 ' 12" W., 437.09') to a set iron pin, thence North eighty-two degrees no minutes forty-eight seconds West, a distance of eight hundred twenty and fifteen hundredths feed (N. 82° 0' 48" W. 820.15') to a set iron pin on the eastern right-of-way line of Township Road No. 568, thence along said right-of-way, North forty-six degrees thirty-eight minutes thirteen seconds East, a distance of one hundred sixty-one and fifty-eight hundredths feet (N. 46° 38' 13" E., 161.58') to a set concrete monument; thence along same, North forty-five degrees twenty-nine minutes thirty-one seconds East, a distance of three hundred thirty-seven and eighty-four hundredths feet (N. 45° 29' 31" E., 337.84') to a set iron pin; thence along the same, North forty-six degrees no minutes thirty-seven seconds East, a distance of fifty-four and forty-five hundredths feet (N. 46° 0' 37" E., 54.45') to the place of beginning. CONTAINING 6.511 acres.

## First Addendum to Lease Agreement

This First Addendum to Lease Agreement is entered into as of July 1, 2008, by and between **Nottingham Health Care Services, Inc.** ("Lessor"), and **Leeds Health Care Services, Inc.** ("Lessee").

### Background

The parties entered into a Lease Agreement dated December 25, 2003, pursuant to which Lessor leased to Lessee a certain 121 bed Skilled Nursing Facility and 40 bed Personal Care Facility located at Strawbridge Road, Northumberland, Pennsylvania ("Lease Agreement").

The parties now mutually desire to re-set the rentals due under the Lease Agreement, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Under paragraph 3.2 of the said Lease Agreement, the rent is to be adjusted annually to account for any changes in CPI-U, US City Average 1982 - 84 = 100. No changes have been made since the inception of the Lease Agreement. As of July 1, 2008, the initial rent of $ 42,000. per month, shall be increased by the change in the CPI-U index from December, 2003 to May, 2008. The increase in that period of time is 17.5%. Accordingly, the rent shall be increased from $ 42,000. per month to $ 49,350. per month.

2. No Other Changes. The parties hereby ratify and reaffirm the other terms and conditions of the Lease Agreement, to which there are no other changes.

IN WITNESS WHEREOF, the parties hereto have executed this First Addendum to Lease Agreement as of the day and year first written above.

Lessor: Nottingham Health Care Services, Inc.

By: Fredrick D. Rose

Lessee: Leeds Health Care Services, Inc.

By: Fredrick D. Rose

- Original -

## Second Addendum to Lease Agreement

This Second Addendum to the Lease Agreement is entered into as of June 01, 2020, by and between Nottingham Health Care Services, Inc. ("Lessor"), and Leeds Health Care Services, Inc. ("Lessee").

Background

The parties entered into a Lease Agreement dated December 25, 2003, pursuant to which Lessor leased to Lessee a certain 121 bed Skilled Nursing Facility and 40 bed Personal Care Facility located at Neitz Road (previously Strawbridge Road), in Northumberland, Pennsylvania ("Lease Agreement").

The parties now mutually desire to re-set the rental due under the Lease Agreement, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Under paragraph 3.2 of the said Lease Agreement, the rent is to be adjusted on February 01, 2018, and every January 1 thereafter, to account for any changes in the CPI-U US City Average 1982 – 84 = 100. The last change that was made to the original agreement was July 1, 2008. As of June 01, 2020, the rent was $49,350.00 per month. This shall be decreased by the change in buildings leased, amounts owing and CPI-U index. Accordingly, the rent shall be decreased from $49,350.00 per month to $33,000.00 per month.

2. No Other Changes. The partied hereby ratify and reaffirm the other terms and condition of the Lease Agreement, to which there are no other changes.

IN WITNESS WHEREOF, the parties hereto have executed this Second Addendum to Lease Agreement as of the day and year first written above.

Lessor: Nottingham Health Care services, Inc.

By: Virginia C Kuster

Lessee: Leeds Health Care Services, Inc.

By: Virginia C Kuster

# EXHIBIT

# B

# LEASE AGREEMENT

This Lease Agreement (the "Agreement") is made and entered into this 31st day of March, 2005, by and between NOTTINGHAM VILLAGE RETIREMENT CENTER ASSOCIATES, L. P., a Pennsylvania limited partnership (the "Landlord") and LEEDS HEALTH CARE SERVICES, INC., a Pennsylvania business corporation (the "Tenant").

WITNESSETH:

WHEREAS, the Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, certain space for the Tenant's operation of residential living units and a personal care home .

NOW THEREFORE, in consideration of the premises and covenants set forth herein, and intending to be legally bound hereby, the parties agree as follows:

## 1. PREMISES

1.1 Premises to be Leased. Landlord leases to Tenant and Tenant leases from Landlord the following premises: the ninety bed personal care facility located at Strawbridge Road, Point Township, Pennsylvania, Known as the Retirement Center, the six duplex cottages on Wedgwood Circle, the eight single and duplex cottages on Ridgway, the nine cottages on Bristol Lane, and the additional cottages to be built on Minton Way (the "Buildings"), as more fully described in Exhibit A attached hereto (collectively referred to as the "Premises"). Landlord's lease of the Premises to the Tenant shall include the right to exclusive use of the Premises.

## 2. TERM

2.1 Original Term. The initial term of this Agreement (the "Term") shall be fifteen (15), years, which shall commence on the Effective Date of a certain Operations Transfer Agreement dated as of March 31, 2005 by and among Landlord, Tenant and Nottingham Village Retirement Center, LLC (the former tenant of the Premises) and shall expire fifteen years after such date.

2.2 Occupancy. Upon execution of this Agreement, Landlord shall permit Tenant and Tenant's representatives, agents and contractors to enter the Premises before the commencement of the Term for the purpose of undertaking any renovations and improvements of the Tenant that are in accordance with the terms of this Agreement.

2.3 Renewal Terms. The Agreement shall automatically renew at the end of the then initial term for an additional ten (10) year term, unless either party provides written notice to the other party at least ninety (90) days before the end of the initial term of its intent not to renew. During such additional term, the parties shall be governed by all the terms, conditions and covenants in this Agreement including the rental amount, which shall be increased in accordance with Article 3.

## 3. RENT

3.1 Rent – Initial Term. During the first year of the initial Term, Tenant shall pay to Landlord the base sum of $524,772 as minimum rent, payable in equal monthly installments of $43,731. After the first year of the initial Term, the rent will be adjusted in accordance with Section 3.2.

3.2 Adjustment to Rent. Effective January 1, 2006, and for each January 1 thereafter in which this Agreement is in effect, for the annual period of January 1 through December 31, the monthly rental amount shall be equal to the monthly rental amount for the immediately preceding annual period, as increased by a percentage equal to the percentage change in the Consumer Price Index for all urban customers (CPI-U, US City Average 1982-84=100) over the preceding twelve month period; provided, however, that no such increase in the monthly rental amount shall increase more than five percent (5%) from the previous annual period.

3.3 Rental Payments. All monthly rental payments (and obligations deemed to be additional rent) shall be received by the Landlord on or before the first day of each month at the address listed in Section 13.11 (or any other such place as Landlord may from time to time designate in writing). Any rent not paid and received within fifteen (15) days of its due date shall be subject to a one percent (1%) late charge. All rental payments shall be made without demand or setoff.

## 4. CONDUCT OF BUSINESS

4.1 Permitted Uses. During the term of the Agreement, Tenant shall use the Premises to operate a continuing care retirement community known as Nottingham Village Retirement Center to include residential living apartments and cottages, a personal care facility and ancillary uses (the "Facility") in accordance with this Section 4, and for no other purposes without Landlord's prior written consent. Tenant's unauthorized use of the Premises shall constitute an event of default entitling Landlord to the remedies set forth in Section 10.

4.2 Scope of Use. Tenant is the exclusive owner, operator and manager of the assets of the Facility during the term of this Agreement. As owner of the Facility, the Tenant shall have full responsibility and authority to operate and manage the Facility and to fulfill its duties hereunder, including without limitation to: (i) operate and maintain the Facility as a personal care facility providing personal care services; (ii) collect all room and board revenue, as well as other revenue, and timely pay all debts and other obligations relating to the Facility, including operating expenses, fixed expenses and taxes; (iii) ensure the Facility complies with applicable Federal, state and local laws and regulations; (iv) provide all necessary services to ensure that the Facility provides quality care to its residents; (v) recruit, hire and train personnel as needed for the operation of all departments and services of the Facility; (vi) maintain such bank accounts as may be necessary or desirable for the operation of the Facility (the "Operating Accounts"); (vii) establish salary levels, performance standards, personnel policies and employee benefits; and (viii) take all other actions necessary or desirable to operate and manage the Facility in accordance with prudent practice and industry standards.

4.3 In performing its duties, the Tenant (through its staff or independent contractors) shall perform the following with respect to the Facility, as well as any other matters reasonably related thereto commencing upon the date of this Agreement:

4.3.1 Bookkeeping. Support decentralized Facility information system that provides systems management for the following areas:

- Accounts Payable
- Marketing
- Financial Reporting
- General Ledger

The Tenant shall be responsible for billing the collection of Accounts Receivables that are in arrears.

4.3.2 Legal Counsel. (i) Prepare or coordinate with outside counsel for preparation of documents for operation of the Facility, including resident agreements, supplier/vendor contracts, service contracts, equipment leases and other ancillary contracts; (ii) prepare or coordinate licensure and other regulatory applications; (iii) coordinate all litigation involving the Facility with appointed counsel or insurance company; (iv) coordinate with local counsel on local law issues affecting the Facility; (v) process working capital requests and apply for, negotiate and obtain letters of credit; and (vi) provide legal counsel or coordinate with local counsel to provide counsel to the Facility's Human Resources Department.

4.3.3 Accounting/Taxes. (i) Provide an accountant to supervise all accounting activities; (ii) implement accounting policies and guidelines; (iii) provide a cash management system; (iv) deposit in Operating Accounts established in the Facility's name all funds received from the operations of the Facility, satisfy obligations of the Facility from such Operating Accounts, and not commingle funds in the Operating Accounts with any other funds; (v) provide operations expertise through site visits and strategies to maximize fiscal performance; and (vi) develop and implement a budget for operations, capital outlay and cash requirements. Deposits may be made by appropriate officer of the Management Firm or its designee. All information necessary for the preparation of taxes will be provided to the preparer.

4.3.4 Human Resources. (i) Implement all personnel policies and guidelines; (ii) recruit management personnel of the Facility, including the Community Director of the Facility; (iii) provide on-going training for the Facility's Community Director; (iv) respond to all government compliance agencies and legal proceedings as necessary; (v) implement and monitor safety/loss control programs; (vi) develop and implement career planning and manpower development strategies; (vii) recruit, employ and train personnel as needed for the operation of all departments and services of the Facility; and (viii) establish salary levels, performance standards, personnel policies and employee benefits for all employees within applicable budgetary and regulatory limits.

4.3.5 Program Development. (i) Provide ongoing program development and management consultation; (ii) supply select program manuals for local modification and implementation; and (iii) provide program development/management training.

4.3.6 Quality Management. Provide model quality management systems and implement such including risk management, resident/family satisfaction, licensing and accreditation and program evaluation.

4.3.7 Marketing/Communication. (i) Direct and supervise marketing efforts; (ii) train staff in marketing skills; (iii) organize strong sales efforts within the target area, develop program mix strategies, and assist in developing marketing plans for the Facility or assist third party vendors to develop such plans; (vi) establish an intake/admission system and continuously review the admission process; (v) take reasonable efforts to lease resident rooms to maximize occupancy of the residents in the Facility; and (vi) develop and produce Facility selected promotional literature.

4.3.8 Contracting. Negotiate and execute contracts and agreements related to the Facility with third parties and parties affiliated with the Tenant; provided that all contracts and agreements with parties affiliated with the Tenant shall be on terms no less favorable than terms for comparable contracts and agreements with unaffiliated parties.

4.3.9 Miscellaneous.

4.3.9.1 Obtain and maintain all licenses and certifications required for operation of the Facility and use reasonable efforts to procure eligibility for participation in other applicable referral or payor programs.

4.3.9.2 Purchase supplies, using procurement practices in accordance with industry standards, and lease equipment under national and regional agreements or purchase contracts of the Tenant or its affiliated companies.

4.3.9.3 Review and analyze the performance of ancillary services under contract and negotiate contractual arrangements therefore.

4.3.9.4 Maintain books and records for the Facility at the Tenant's home office.

4.3.9.5 Order, supervise and conduct a program of regular maintenance and repair of the Facility.

4.3.9.6 Supervise and provide for the operation of food service facilities for the Facility.

4.3.9.7 Make periodic evaluations of the performance of all departments of the Facility and investigate and report, upon request, any inconsistency between expenditures and budget.

4.3.9.8 Implement all policies and procedures reasonably necessary for the operation of the Facility consistent with applicable regulations.

4.3.9.9 Foster a working relationship between Tenant and any authorized volunteer or auxiliary groups interested in providing support to the Facility and residents of the Facility.

4.4 Additional Uses. The Tenant shall be responsible for providing all services necessary or desirable for the efficient and orderly management and operations of the Facility. The Tenant shall actively utilize staff specialists in its employ or that of its affiliates in such areas as accounting, budgeting, marketing, reimbursement, dietary, housekeeping, and clinical in the management of the Facility when considered desirable by the Tenant.

## 5. MAINTENANCE

5.1 Tenant's Maintenance. Tenant shall maintain the Premises and any fixtures, machinery or equipment therein, in good repair and condition, and shall be responsible for all repairs interior and exterior, regardless of cost. The term "maintain" as used in this Agreement shall include but not be limited to repairs, replacements, redecorating, repainting and cleaning. Upon expiration or termination of the Agreement, Tenant shall deliver the Premises to Landlord in as good condition and repair as existed on the commencement of the initial term, reasonable wear and tear excepted. Tenant shall be responsible for all repairs (and all necessary replacements) to the interior plumbing, windows, window glass, plate glass and doors; the heating, ventilation and air conditioning equipment; and the interior of the Premises in general. Tenant is also responsible for the removal of trash in or about the Premises and the cost of janitorial services provided therein.

5.2 Failure to Maintain Premises. In the event that Tenant should neglect to reasonably maintain the Premises, Landlord shall have the right, but not the obligation, to cause repairs or corrections to be made, and any reasonable costs therefor shall be payable by Tenant to Landlord as additional rent on the next rental payment date.

5.3 Repairs and Maintenance of the Buildings. Landlord shall have no responsible for making any necessary structural repairs to the Buildings. All such repairs and maintenance work shall be the sole responsibility of the Tenant.

## 6. IMPROVEMENTS, ALTERATIONS AND RENOVATIONS

6.1 Tenant's Renovations, Improvements and Alterations. Tenant may not renovate, improve or alter the Premises or any structures thereon without Landlord's prior written consent, which shall not be unreasonably withheld or delayed. All such renovations, improvements or alterations shall be made at Tenant's sole cost and expense. All plans and specifications prepared for Tenant with respect to such renovations or improvements shall be subject to the Landlord's approval and further subject to compliance with all applicable laws, codes and regulations, including any necessary governmental approvals. Landlord shall have the right to make reasonable changes to such plans and specifications which, in Landlord's reasonable opinion, are necessary or beneficial and which do not adversely affect the Premises or Tenant's intended use thereof. If the parties cannot agree that Tenant has satisfactorily completed its improvements, renovations or alterations, the matter shall be settled by arbitration in accordance with the then prevailing rules of the American Arbitration Association.

6.2 Signs and Directional Devices. At its sole cost and expense, Tenant shall be entitled to erect such lawful signs and directional devices on the Premises as it deems necessary for its intended use with respect to the Premises, subject to receiving any necessary governmental approvals, and subject to receiving Landlord's prior written consent.

6.3 Liens. Tenant shall keep the Premises, the Buildings and the property on which the Buildings are located, free from any liens arising from any work performed, materials furnished or obligations incurred for renovations, improvements or alterations performed on the Premises by or on behalf of the Tenant. Before Tenant commences or contracts for any work in or about the Premises for which a lien could be filed against the Premises, the Buildings or the property on which the Buildings are located, Tenant shall enter a written agreement providing for a waiver of and a stipulation against liens, signed by all contractors who are to perform work on Tenant's behalf. Such agreement shall be acceptable to Landlord and shall be executed before the commencement of any work in or about the Premises. No work on the Premises which Landlord permits Tenant to perform under this Agreement shall be deemed for the immediate use and benefit of Landlord, so that no liens shall be allowed or charged against Landlord as a result of any consent given by Landlord to Tenant to renovate, improve or alter the Premises. Tenant shall promptly pay all persons furnishing labor, work and materials on behalf of Tenant or its contractor in or about the Premises. If any lien shall at any time be filed against the Premises, a Building or the property on which a Building is located as a result of work, labor, services or materials performed or furnished on behalf of Tenant, or at its direction, Tenant shall cause such lien to be discharged of record within sixty (60) days of its filing. If Tenant shall fail to cause the discharge of any such lien, such failure shall be deemed an event of default, entitling Landlord to the remedies set forth in Article 10.

## 7. OTHER OBLIGATIONS OF LANDLORD AND TENANT

7.1 Taxes and Assessments. During the initial Term and any renewal thereof, Tenant shall pay and fully discharge all taxes, special assessments, and governmental charges of every character imposed on the Premises or the Buildings.

7.2 Utilities and Services. Tenant shall pay for all utilities and services furnished to or used in the Buildings and the Premises, including but not limited to water, heat, electricity, air conditioning, trash removal and sewage.

7.3 Insurance.

7.3.1 Tenant's Public Liability and Property Damage Insurance. At its sole cost and expense, Tenant shall purchase and maintain policies of comprehensive general liability insurance, covering the Premises generally, the business operated by Tenant in and about the Premises and the contractual liability of Tenant under the Agreement, in such form and with such insurers as are acceptable to Landlord. Such policies shall also insure Tenant against damages to its property within the Premises by fire, flood and other casualty and standard extended coverage perils. Such policies shall be in commercially reasonable amounts, but in any event, shall have limits of at least: $1,000,000 with respect to property damage; $1,000,000 with respect to death or personal injuries to any one person; and $2,000,000 arising out of any one occurrence. Such insurance may be included in a blanket policy or policies. Such policies shall name Landlord and Tenant as named insureds and shall provide that any insurance proceeds shall be paid to Landlord and Tenant jointly, which proceeds shall be used to pay any liability or property damage claims against Landlord and/or Tenant.

7.3.2 Insurance. At its sole cost and expense, Tenant shall purchase and maintain insurance on the Buildings and other improvements on the Premises against damage by fire, flood and other casualty and standard extended coverage perils in an amount equal to the full replacement costs thereof, and shall provide public liability insurance in such amounts and with such deductions as Landlord considers appropriate.

7.3.3 Additional Costs of Insurance. If Landlord determines that it is unable to secure insurance as set forth in Section 7.3.2 at reasonable rates due to Tenant's use of the Premises or Tenant's acts or omissions, then Landlord shall provide Tenant with written notice of such determination. Tenant shall have thirty (30) days after the receipt of such notice in which to take such action as may be required by Landlord or the insurer to permit Landlord's purchase of such insurance at reasonable rates. If Tenant does not or cannot take such necessary action within thirty (30) days, Landlord, at its option, may: (a) deem Tenant in default and pursue the remedies set forth in Article

10; or (b) require Tenant to pay, as additional rent, the additional cost or premium charge by Landlord's insurer as a result of Tenant's use of the Premises or Tenant's acts or omissions.

7.3.4 Tenant's Workers' Compensation and Other Insurance. At its sole cost and expense, Tenant shall maintain any legally required limits of workers' compensation insurance on all persons which it employs and such other forms of insurance as may be required by law.

7.3.5 Other Insurance Matters. All insurance required under this Agreement shall be obtained from and issued by insurance companies authorized to do business in the Commonwealth of Pennsylvania. In addition, all such insurance shall contain an endorsement requiring thirty (30) days prior written notice to the named insured before cancellation or change in the coverage, scope or amount of any policy. In addition, within ten (10) days of Landlord's written request, Tenant shall furnish Landlord with certificates of all required insurance prior to commencement of this Agreement and at such other times as Landlord may require from time to time.

7.3.6 Failure to Maintain Insurance. If Tenant does not maintain the requisite insurance in full force and effect, Landlord may notify Tenant of such failure, and if Tenant does not deliver to Landlord within ten (10) days of such notice a certificate showing that all such insurance is in full force and effect, Landlord may either: (a) deem Tenant in default and pursue the remedies set forth in Article 10; or (b) secure the necessary insurance coverage itself. In the event that Landlord elects to secure the necessary insurance coverage, Tenant agrees to reimburse Landlord on demand for any amount so paid, with interest thereon at the annual rate of ten percent (10%) from the date of such payment by Landlord until repaid by Tenant.

7.3.7 Subordination. This Agreement is and shall be subject to and subordinate to all mortgages which may now or hereafter be secured against the Buildings or Premises, and to all renewals, modifications, consolidations, replacements and extensions of such mortgages. This section shall be self-operative and no further instrument of subordination shall be required by any mortgagee or other party; provided, however, that Tenant, within fifteen (15) days of Landlord's written request, shall execute any certificate that Landlord may reasonably require that acknowledges such subordination.

## 8. FIRE AND CASUALTY DAMAGE

8.1 Total and Partial Destruction. If, prior to the commencement of the Agreement or during the Agreement, the Premises are totally or substantially destroyed by fire, flood or other casualty, or if the Premises are rendered totally or partially inaccessible or unusable for Tenant's use of the Premises, Tenant's sole remedy shall be the right to terminate the Agreement without further liability by either party. Tenant shall be permitted to terminate the Agreement under this subsection if, in Landlord's reasonable opinion, more than eighty percent (80%) of the Premises is destroyed or rendered unusable for Tenant. In such event, Tenant shall vacate the

Premises within five (5) days of the destruction and the Agreement shall terminate, and Tenant's obligations thereunder shall abate, upon such action by Tenant, so long as Tenant is not in default. If the Premises should be damaged by fire, flood or other casualty, but not to an extent that more than eighty percent (80%) of the Premises is destroyed or rendered unusable by the Tenant, the Agreement shall continue, but the rent shall be reduced to reflect any portion of the Premises which have been rendered totally unusable, as reasonably determined by the Landlord in its sole discretion.

8.2 Condemnation. If, prior to commencement of the Agreement or during the Agreement, all or any part of the Premises should be taken for any public or quasi-public use under any governmental law, regulation or ordinance, or by right of eminent domain, or if it should be sold to the condemning authority under threat of condemnation, the Agreement shall terminate and the rent shall be abated during the unexpired portion of the Agreement, effective as of the date the Tenant vacates (or is required to vacate) the Premises. In such event, Landlord shall be entitled to receive the entire condemnation award and related damages, and the parties' rights and obligations shall cease upon the date of Tenant's vacation, provided that Tenant is not at that time in default of its obligations under the Agreement.

## 9. INDEMNITY

9.1 Tenant Indemnification. Tenant shall indemnify and hold Landlord harmless against any and all claims, demands, costs and expenses, including reasonable attorneys' fees for the defense thereof, arising from: (a) the use, conduct or management of Tenant's business in the Premises, the Buildings and the property on which the Buildings are located; (b) Tenant's breach or default of any term, condition or covenant of this Agreement or Tenant's violation of any law relating to its use of the Premises, the Buildings or the property on which the Buildings are located; (c) the act, omission or negligence of Tenant, its agents, contractors, employees, subtenants, concessionaires, invitees, customers, licensees, trespassers or any other individuals or entities in or about the Premises or the common areas of the Buildings or the property on which the Buildings are located; (d) any accident, injury or damage, loss or theft of property in or about the Premises resulting from any cause other than Landlord's intentional acts or negligence; or (e) Tenant's failure to comply with any applicable regulations, ordinances, governmental orders or statutes. In the event of any action brought against Tenant and/or Landlord as the result of any such claim, Tenant, at its sole cost and expense, upon notice from Landlord, will defend such action with counsel acceptable to Landlord.

9.2 Landlord Indemnification. Landlord shall indemnify and hold Tenant harmless against any and all claims, demands, costs and expenses, including reasonable attorneys' fees for the defense thereof, arising from: (a) Landlord's breach or default of any term, condition or covenant of this Agreement or Landlord's violation of any law relating to its use of the Premises, the Buildings or the property on which the Buildings are located; (b) the act, omission or negligence of Landlord, its agents, contractors, employees, subtenants, concessionaires, invitees, customers, licensees, trespassers, or any other individuals or entities in or about the Premises or the common areas of the Buildings or the property on which the Buildings are

located; or (c) Landlord's failure to comply with any applicable regulations, ordinances, governmental orders or statutes. In the event that any action brought against Landlord and/or Tenant as the result of any such claim, Landlord, at its sole cost and expense, upon notice from Tenant, will defend such action by counsel acceptable to Tenant.

## 10. DEFAULT AND REMEDIES

10.1 Default by Tenant. The occurrence of any of the following shall constitute a material breach and a default by Tenant, entitling Landlord to the rights and remedies set forth in Section 10.2:

10.1.1 If Tenant shall allow the rent to be in arrears and unpaid more than five (5) days after receiving written notice of such delinquency;

10.1.2 Recordation of this Agreement, assignment of Tenant's interest herein, or subletting the Premises or any portion thereof, without Landlord's prior written consent;

10.1.3 Tenant's petitioning for relief under any chapter of the United States Bankruptcy Code, or the filing of any involuntary petition of bankruptcy against Tenant, if the petition is not dismissed within sixty (60) days of its filing;

10.1.4 Tenant's breach of any term, condition or covenant of this Agreement, which continues uncured for a period of thirty (30) days after Tenant receives written notice of such breach;

10.1.5 Tenant's default of its other obligations in this Agreement, which continues uncured for a period of thirty (30) days after Tenant receives written notice of such default;

10.1.6 Tenant's intentional violation of any law, including but not limited to those laws governing its use of the Premises;

10.1.7 Tenant's loss of any license, certification or other regulatory approval required to operate a continuing care retirement community or a personal care facility on the Premises.

10.2 Landlord Remedies. In the event of Tenant's breach and default under Section 10.1, Landlord at its option, may exercise any or all of the following remedies:

10.2.1 Re-enter and take possession of the Premises, remove Tenant's property to storage at Tenant's expense, relet the Premises, or any part thereof, for all or any part of the remainder of the then current term of the Agreement, to a party satisfactory to Landlord, and at such monthly rental as Landlord may with reasonable diligence be able to secure. Should Landlord be unable to relet after reasonable efforts to do so, or should such monthly rental be less than the rental Tenant was obligated to pay under the Agreement (including

obligations deemed to be additional rent and the expenses for reletting and storing Tenant's property), then Tenant shall pay the amount of such deficiency to Landlord plus interest at ten percent (10%) per annum until the date of payment;

10.2.2 Cure any breach or default by Tenant at Tenant's cost. If, as a result of Tenant's breach or default, Landlord is required to pay any sum or to perform any act requiring a monetary payment, then such sum shall be deemed immediately due from Tenant to Landlord, and shall bear interest at the maximum legal rate from the date of Landlord's initial payment until Tenant fully reimburses Landlord. The sums advanced by Landlord and reimbursed by Tenant (inclusive of interest) shall be deemed additional rent;

10.2.3 Accelerate all rent and additional rent due for the balance of the then current term of the Agreement and declare the same immediately due and payable;

10.2.4 Terminate this Agreement by providing written notice of such termination to Tenant;

10.2.5 Exercise any other remedy available to Landlord at law or in equity.

10.3 Cumulative Remedies. All rights and remedies of Landlord under this Agreement shall be cumulative and the exercise of one or more of them shall not be deemed to preclude any other right or remedy. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises.

10.4 Landlord Default and Tenant Remedies. Landlord's breach of any material term, condition or covenant of this Agreement, which continues uncured for a period of thirty (30) days after Landlord receives written notice of such breach, shall entitle Tenant to terminate the Agreement.

10.5 Exercise of Remedies by Landlord. In any situation which might constitute a material breach and default by Tenant set forth above, for which a period is stated for cure, and action by the Members of Tenant may be necessary in order to effectuate a cure, Landlord may exercise its rights and remedies under this Agreement only if it has acted consistently with the business interests of Tenant in attending and voting at any necessary meeting of the Members of the Tenant held for the purposes of effectuating a cure after notice hereunder.

10.6 Mutual Agreement. This Agreement may be terminated upon the mutual written agreement of both the Landlord and the Tenant.

## 11. INSPECTION BY LANDLORD

11.1 Inspection. Tenant shall permit Landlord and its agents to enter into and upon the Premises at reasonable times and in a reasonable manner for the purpose of inspecting the Premises or for the purpose of maintain or making improvements, repairs or alterations to a Building.

## 12. ASSIGNMENT, SUBLETTING AND RECORDATION

12.1 Assignment and Subletting by Landlord. Landlord shall have the unlimited right to assign this Agreement, or any interest therein, or to lease, sublet or sell portions of the remainder of the Premises.

12.2 Assignment and Subletting by Tenant. Tenant is expressly prohibited from assigning its interest in this Agreement, or subletting the Premises, without the prior written consent of Landlord.

12.3 Recordation. Tenant shall be prohibited from recording this Agreement without the prior written consent of Landlord.

## 13. GENERAL PROVISIONS

13.1 Parking. As a conditions of this Agreement, Tenant, its agents, employees, licensees, patients, visitors and other invitees may park vehicles in the parking facilities located adjacent to the Retirement Center. Such use shall be in common with other tenants of the Retirement Center and particular spaces shall not be set aside specifically for Tenant's uses.

13.2 Amendment. No amendment, modification, or alteration of this Agreement shall be binding unless in writing and signed by both parties.

13.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successor and assigns, where permitted by this Agreement.

13.4 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

13.5 Governing Law. This Agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the Commonwealth of Pennsylvania.

13.6 Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, regulation or otherwise.

13.7 Waiver of Default. The waiver by either party of a breach or default of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

13.8 Force Majeure. Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service

or employment deemed resulting, directly or indirectly, from acts of God, civil, or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, or other similar or dissimilar cause beyond the reasonable control of either party.

13.9 Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

13.10 Additional Rent. All sums of money or charges required to be paid by Tenant under the Agreement, whether or not designated as "additional rent", shall for all purposes be deemed to be such and shall be paid by Tenant as rent. If any such payment or charge is not paid when due, it shall be payable with the regular monthly installment of minimum rent due immediately thereafter.

13.11 Notices. Any notice, demand, or communication required, permitted, or desired to be given hereunder, shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return-receipt requested, addressed as follows:

| LANDLORD: | TENANT: |
|---|---|
| Nottingham Village Retirement Center Associates, L. P.<br>1000 Strawbridge Road<br>Northumberland, PA 17857 | Leeds Health Care Services, Inc.<br><br>PO Box 32 Strawbridge Road<br>Northumberland, PA 17857 |

or to such other address, and to the attention of such other person(s) or officer(s) as either party may designate by written notice.

13.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and all of which, when taken together shall constitute one and the same instrument.

13.13 Assistance of Counsel. Each party acknowledges that it has had the opportunity to be represented by counsel of its choice with respect to this Agreement. In view of the foregoing and notwithstanding any otherwise applicable principles of construction or interpretation, this Agreement shall be deemed to have been drafted jointly by the parties, and in the event of any ambiguity, shall not be construed or interpreted against the primary drafting party.

13.14 Entire Agreement. This Agreement supersedes all previous contracts and constitutes the entire Agreement between the parties relating to the subject matter covered by this Agreement. The parties shall be entitled to no other benefits than those specified herein with respect to the subject matter of this Agreement. No oral statements or prior written material not specifically incorporated herein shall be of

any force and effect and no changes in or additions to this Agreement shall be recognized unless incorporated herein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned Landlord and Tenant, by their duly authorized representatives, execute this Agreement on the day, month and year first written above.

NOTTINGHAM VILLAGE RETIREMENT CENTER ASSOCIATES, L. P.

WITNESS:

By: Nottingham Management, LLC, General Partner

By: Frederick D. Kessler

Name: Frederick D. Kessler

Title: President

LEEDS HEALTH CARE SERVICES, INC.

WITNESS:

By: Frederick D. Kessler

Name: Frederick D. Kessler

Title: President

EXHIBIT "A"

Description of Premises

ALL THOSE CERTAIN tracts or parcels of land situate in Point Township, Northumberland County, Pennsylvania more particularly bounded and described as follows:

TRACT NO. 1: BEGINNING at a set concrete monument on the eastern right-of-way line of Township Road No. 568, said point being the northwest corner of lands of the Northumberland County Industrial Development Authority; thence along lands now or formerly of Roy T. Sulouff South eighty-two degrees no minutes forty-eight seconds East, a distance of four hundred eighty feet (S 82° 00' 48"E. 480.00') to a set iron pin, being the true point or place of beginning; thence along same South eighty-two degrees no minutes forty-eight seconds East, a distance of one hundred twenty feet (S 82° 00' 48" E 120.00') to a set iron pin; thence along lands formerly of Nottingham Associates South seven degrees fifty-nine minutes twelve seconds West, a distance of four hundred ninety-seven and nine hundredth feet (S 07° 59' 12" W, 479.09') to a set iron pin; thence along same North eighty-two degrees no minutes forty-eight seconds West, a distance of one hundred twenty feet (N 82° 00' 48" W, 120.00') to a set iron pin; thence through lands now or formerly of the Northumberland County Industrial Development Authority of which this tract is a part North seven degrees fifty-nine minutes twelve seconds East, a distance of four hundred ninety-seven and nine hundredths feet (N 07° 59' 12" E, 479.09') to a set iron pin, the point or place of beginning, CONTAINING one and three hundred sixty-nine thousandths (1.369A) acres.

BEING shown as Tract No. 2 of the Subdivision Plans of Nottingham Associates, as recorded in the Office of the Recorder of Deeds in and for Northumberland County on September 2, 1983, in Map Book 7, at page 24.

TRACT NO. 2: ALL THAT CERTAIN tract or parcel of land situate in Point Township, Northumberland County, Pennsylvania, being Tract No.1 on the Subdivision Plan for Nottingham Associates, dated May 27, 1983, as recorded in the Recorder's Office in and for Northumberland County in Map Book 7, at page 24, more accurately bounded and described as follows:

BEGINNING at a set iron pin on the line of land now or formerly of Roy T. Sulouff and also being the northeast corner of Nottingham Village Nursing Home Property; thence along the land now or formerly of Roy T. Sulouff South eighty-two degrees forty-eight seconds East, a distance of five hundred twenty-six and thirty- nine hundredths feet (S 82° 48' E, 526.39') to an existing fence post; thence along the land of Nottingham Associates South three degrees fifty-two minutes three seconds East, a distance of two hundred thirty-six and twenty-four hundredths feet (S 03° 52' 03"E, 236.24') to a set iron pin; thence along the same North eighty-five degrees forty-four minutes nine seconds West, a distance of two hundred and sixty-seven hundredths feet (N 85° 44' 09" W, 200.67') to a set iron pin; thence along the same South seventy-three degrees twenty-eight minutes forty-four seconds West, a distance of one hundred ninety-eight and eighty-four hundredths feet (S 73° 28' 44" W, 198.84') to a set iron pin; thence along the same South fifty-three degrees eleven minutes forty seconds West, a distance of three hundred twenty-eight and ninety-five hundredths feet to a set iron pin; thence along

the same South seventy-one degrees thirteen minutes seven seconds West, a distance of one hundred ninety-one and eighty hundredths feet (S 53° 11' 40 W, 328.95') to a set iron pin; thence along the same South seventy-one degrees thirteen minutes seven seconds West, a distance of one hundred ninety-one and eighty hundredths feet (S 71° 13' 07' W, 191.80') to a set iron pin; thence along the same South eighty degrees twenty-four minutes six seconds West, a distance of three hundred eighty-six and thirty-four hundredths feet (S 80° 24' 06' W, 386.34') to a set iron pin; thence along the same North seven degrees fifty-nine minutes twelve seconds East, a distance of two hundred sixty-four and forty-eight hundredths feet (N 07° 59' 12' E, 264.48') to a set iron pin on the line of Northumberland County Industrial Development Authority and Nottingham Health Care Services, Inc.; thence along the same South eighty-two degrees forty-eight seconds East, a distance of five hundred seventy-nine and twenty-three hundredths feet (S 82° 48" E, 579.23') to a set iron pin; thence along the same North seven degrees fifty-nine minutes twelve seconds East, a distance of four hundred ninety-seven and nine hundredths feet (N 07° 59' 12"E, 497.09') to the place of beginning. CONTAINING six and twenty-two hundredths acres. (6.22 A)

There is also granted and conveyed to the Grantee, its successors and assigns, the right to use, in common with the Grantor, of that portion of the old farm lane leading from Strawbridge Road (L.R. 49051) to the old farm buildings, said Grantee's right of use to extend from Strawbridge Road eastwardly along the centerline of the said lane a distance of approximately eleven hundred feet (1,100') said termination point being indicated on the above referenced subdivision plan of Nottingham Associates as "Limit of Private Drive". Grantee's width of use shall be fifty feet (50') from Strawbridge Road eastwardly along the centerline of the said lane a distance of approximately five hundred feet (500') and thereafter a width of twenty-four feet (24') to the termination point, as more fully described on the above-referenced subdivision plan of Nottingham Associates. Grantee shall have the right to improve the said lane, including the clearing of brush, trees, and paving at Grantee's expense. Said lane shall be maintained by Grantee and other uses according to the proportionate use by each Said proportionate use to exclude current usage for access to and from the existing farm buildings.

BEING THE SAME premises which FREDERICK D. KESSLER by deed dated May 1, 1986, and recorded May 5, 1986, in Record Book 643, at page 76, granted and conveyed unto NOTTINGHAM VILLAGE RETIREMENT CENTER ASSOCIATES, a Limited Partnership.

There is erected on Tract No. 1 and Tract No. 2 described above a one-story frame apartment building.

Together with a certain utility easement granted and conveyed to Frederick D. Kessler by the Northumberland County Industrial Development Authority and Nottingham Health Care Services, Inc. by easement agreement dated October 21, 1983, and recorded in the Recorder's Office of Northumberland County on November 21, 1983, in Miscellaneous Book No. 68, page 780, and a map of which is recorded in Map Book

No. 7, at page 31. Reserving unto the Grantor, his heirs and assigns, the right to use said utility easement in common with the Grantee herein.

Together with a certain sewer line easement granted and conveyed to Frederick D. Kessler by Roy T. Sulouff and Sandra K. Sulouff by easement agreement dated September 13, 1983, and recorded in the Recorder's Office of Northumberland County on October 18, 1983, in Miscellaneous Book No. 68, at page 503. Reserving unto the Grantor, his heirs and assigns, the right to sue said sewer line easement in common with the Grantee herein.

Subject to certain rights-of-way granted to Pennsylvania Power and Light Company, dated May 29, 1984, and recorded in Miscellaneous Book No. 70, at page 670, and dated May 29, 1984, and recorded in Miscellaneous Book No. 70, at page 673.

TRACT NO. 3: ALL THAT CERTAIN lot or tract of ground situate in Point Township, Northumberland County, Pennsylvania, being shown as Tract No. 3 on the Subdivision Plan for Frederick D. Kessler and Virginia A. Kessler, as recorded in the Recorder's Office of Northumberland County, in Map Book No. 9, at page 3, more accurately bounded and described as follows to wit:

BEGINNING at a point in the eastern right-of-way line of Pennsylvania Legislative Route No. 49051; thence North eighty-two degrees three minutes fifty-four seconds East, a distance of three hundred sixty-three and seventeen hundredths feet (N 82° 03' 54" E, 363.17') to the true place of Beginning; thence through lands of the Grantors, North eight degrees fifty-six minutes six seconds West, a distance of fifty-nine feet (N 08° 56' 06" W, 59.00') to a point; thence through same, North twenty-two degrees thirty-one minutes fifty-six seconds East, a distance of two hundred thirty-eight and ninety-three hundredths feet (N 22° 31' 56" E, 238.93') to a point on line of lands of the Northumberland County Industrial Development Authority; thence along same, South eighty-two degrees zero minutes forty-eight seconds East, a distance of eighty-six feet (S 82° 0: 48" E. 86.00') to an iron pin; thence along line of lands of the Grantors and Nottingham Village Retirement Center Associates, South seven degrees fifty-nine minutes twelve seconds West, a distance of two hundred fifty and ninety-seven hundredths feet (S 07° 59' 12" W, 250.97') to a point, said point being on the northern line of a fifty foot (50') wide private drive; thence along said northern line of said private drive, South eighty-two degrees three minutes fifty-four seconds West, a distance of one hundred thirty-five feet (S 82° 03' 54"W, 135.00') to the point or place of beginning. CONTAINING seventy-four hundredths of an acre (0.74 A).

BEING THE SAME PREMISES which FREDERICK D. KESSLER and VIRGINIA A. KESSLER, his wife, by Deed dated November 17, 1986, and recorded in the Recorder's Office of Northumberland County, in Record Book 665, at page 413, granted and conveyed unto NOTTINGHAM VILLAGE RETIREMENT CENTER ASSOCIATES, a Limited Partnership.

TRACT NO. 4: ALL THAT CERTAIN tract or parcel of land situate in Point Township, Northumberland County, Pennsylvania, being shown as Tract No. 5 on the subdivision plan for Frederick D. Kessler and Virginia A. Kessler, as recorded in the Recorder's Office of Northumberland County, in Map Book No. 10, at page 6, more particularly bounded and described as follows:

BEGINNING at an iron pin on the eastern right-of-way line of Pennsylvania Legislative Route No. 49051, said point being the southwest corner of lands of the Northumberland County Industrial Development Authority; thence along said right-of-way line North forty-six degrees thirty-eight minutes thirteen seconds East, a distance of seventy-six and eighty-two hundredths feet (N 46° 38' 13" E, 76.82') to a point; thence through lands of the Northumberland County Industrial Development Authority South eighty-two degrees zero minutes forty-eight seconds East, a distance of eight hundred twenty and fifteen hundredths feet (S 82° 0' 48" E, 820.15') to a point on line of lands of Nottingham Village Retirement Center Associates; thence along lands of Nottingham Village Retirement Center Associates South seven degrees fifty-nine minutes twelve seconds West, a distance of sixty feet (S 07° 59' 12" W, 60.00') to a point; thence along same and on line of lands now or formerly of Frederick D. Kessler and Virginia A. Kessler North eight-two degrees zero minutes forty-eight seconds West, a distance of eight hundred sixty-eight and twelve hundredths feet (N 82° 0' 48" W, 868.12') to an iron pin, the point or place of beginning. CONTAINING one and one hundred sixty-three thousandths Acres. (1.163 A.)

BEING THE SAME premises which NORTHUMBERLAND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AND NOTTINGHAM HEALTH CARE SERVICES, INC. by deed dated the 16th day of September, 1987, and recorded in the Office of the Recorder of Deeds in and for Northumberland County in Record Book 703, at page 213, did grant and convey unto NOTTINGHAM VILLAGE RETIREMENT CENTER ASSOCIATES, a Limited Partnership.

## First Addendum to Lease Agreement

This First Addendum to Lease Agreement is entered into as of July 1, 2008, by and between **Nottingham Village Retirement Center Associates** ("Lessor"), and **Leeds Health Care Services, Inc.** ("Lessee").

### Background

The parties entered into a Lease Agreement dated March 31, 2005, pursuant to which Lessor leased to Lessee certain facilities located at Strawbridge Road, Northumberland, Pennsylvania ("Lease Agreement").

The parties now mutually desire to re-set the rentals due under the Lease Agreement, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Under paragraph 3.2 of the said Lease Agreement, the rent is to be adjusted on January 1, 2006, and every January 1 thereafter, to account for any changes in the CPI-U US City Average 1982 - 84 = 100. No changes have been made since the inception of the Lease Agreement. As of July 1, 2008, the initial rent of $ 43,731. per month shall be increased by the change in CPI-U index from November 2006 to May 2008. The increase in that period of time is 9.2%. Accordingly, the rent shall be increased from $ 43,731. per month to $ 47,754.25 per month.

2. No Other Changes. The parties hereby ratify and reaffirm the other terms and conditions of the Lease Agreement, to which there are no other changes.

IN WITNESS WHEREOF, the parties hereto have executed this First Addendum to Lease Agreement as of the day and year first written above.

Lessor: Nottingham Village Retirement Associates

By: _____

Lessee: Leeds Health Care Services, Inc.

By: _____

## Second Addendum to Lease Agreement

This Second Addendum to the Lease Agreement is entered into as of Feb 01, 2018, by and between Nottingham Village Retirement Center Associate ("Lessor"), and Leeds Health Care Services, Inc. ("Lessee").

### Background

The parties entered into a Lease Agreement dated March 31, 2005, pursuant to which Lessor leased to Lessee certain facilities located at Neitz Road (previously Strawbridge Road), in Northumberland, Pennsylvania ("Lease Agreement").

The parties now mutually desire to re-set the rental due under the Lease Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Under paragraph 3.2 of the said Lease Agreement, the rent is to be adjusted on February 01, 2018, and every January 1 thereafter, to account for any changes in the CPI-U US City Average 1982 – 84 = 100. The last change that was made to the original agreement was July 1, 2008. As of February 1, 2018, the rent was $47,754.25 per month. This shall be increased by the change in buildings leased and CPI-U index. Accordingly, the rent shall be increased from $47,754.25 per month to $77,000.00 per month.
2. No Other Changes. The partied hereby ratify and reaffirm the other terms and condition of the Lease Agreement, to which there are no other changes.

IN WITNESS WHEREOF, the parties hereto have executed this Second Addendum to Lease Agreement as of the day and year first written above.

Lessor: Nottingham Village Retirement Associates

By: Virginia C. Kuehn

Lessee: Leeds Health Care Services, Inc.

By: Virginia C. Kuehn

- Original -

# Third Addendum to Lease Agreement

This Second Addendum to the Lease Agreement is entered into as of June 01, 2020, by and between Nottingham Village Retirement Center, Associates ("Lessor"), and Leeds Health Care Services, Inc. ("Lessee").

## Background

The parties entered into a Lease Agreement dated March 31, 2005, pursuant to which Lessor leased to Lessee certain facilities located at Neitz Road (previously Strawbridge Road), in Northumberland, Pennsylvania ("Lease Agreement").

The parties now mutually desire to re-set the rental due under the Lease Agreement, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. Under paragraph 3.2 of the said Lease Agreement, the rent is to be adjusted on February 01, 2018, and every January 1 thereafter, to account for any changes in the CPI-U US City Average 1982 – 84 = 100. The last change that was made to the original agreement was July 1, 2008. As of February 1, 2018, the rent was $77,000.00 per month. This shall be increased by the change in buildings leased and CPI-U index. Accordingly, the rent shall be increased from $77,000.00 per month to $90,000.00 per month.

2. No Other Changes. The partied hereby ratify and reaffirm the other terms and condition of the Lease Agreement, to which there are no other changes.

IN WITNESS WHEREOF, the parties hereto have executed this Second Addendum to Lease Agreement as of the day and year first written above.

Lessor: Nottingham Village Retirement, Associates

By: Virginia A Keeler

Lessee: Leeds Health Care Services, Inc.

By: Virginia A Keeler

# EXHIBIT

# C

Structure of Nottingham Village Retirement Center
as of May 1, 2024

Amanda G. Kessler – 100% Shareholder

Nottingham Management, LLC
(PA Business Corporation)
58 Neitz Road, Northumberland, PA 17857
TIN: 83-0378050
No Employees

1% Ownership (General Partner)

Amanda G. Kessler

99% Ownership
(Sole Limited Partner)

Nottingham Village Retirement Center Associates, LP
(PA Limited Partnership)
58 Neitz Road, Northumberland, PA 17857
TIN: 23-2410927
No Officers

Continues to own real estate

100% Ownership
(Sole Member)

Nottingham Village Retirement Center, LLC
(PA Limited Liability Company)
58 Neitz Road, Northumberland, PA 17857
TIN: 80-0068374
No Officers/No Employees

Owns Operating Assets, which were contributed by the LP.
Leases Real Estate Property from the LP.

Consists of the Retirement Center, Country Houses, and Professional Building. With exception of the Professional Building, the real estate properties are leased to Leeds Health Care Services, Inc.

# EXHIBIT

# D




# LEEDS HEALTH CARE SERVICES, INC.

# d/b/a NOTTINGHAM VILLAGE

Country House Residency Agreement

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# NOTTINGHAM VILLAGE

## RESIDENCY AGREEMENT COUNTRY HOUSES – ENTRANCE FEE

THIS AGREEMENT, made this_____ day of_____ between Leeds Health Care Services, Inc. d/b/a Nottingham Village of 58 Neitz Road, Northumberland, Pennsylvania, 17857 (hereinafter referred to as "The Community") and _____, (hereinafter called "Resident").

WHEREAS, Nottingham Village operates at 58 Neitz Road, Northumberland, Pennsylvania, a Continuing Care Retirement Community consisting of apartment residence facilities and residential single and duplex homes, known as the Country Houses, a skilled nursing facility, a personal care facility and a memory care facility.

WHEREAS, Resident has applied for admission to Nottingham Village's facilities known as the Country Houses.

NOW THEREFORE, intending to be legally bound, the parties agree as follows:

### 1. DEFINITIONS

a. "Senior Living Administrator" means the person or persons Nottingham Village designated has as in charge of the personal care facility, the memory care facility, and the Country Houses.

b. "Senior Living Administration" is defined as the executive staff, including but not limited to Senior Living Administrator, Nursing Home Administrator, Admissions Coordinator, Marketing Director and Chief Financial Officer.

c. "Medical Team" is defined as medical professionals who manage care, including but not limited to Physicians, Therapists, Social Workers, Nurses and other certified Practitioners.

d. "Country Houses" means those single and duplex dwellings situated in Point Township, Northumberland County, Pennsylvania, each dwelling unit being intended as an independent living unit designed for occupancy by not more than two residents, and operated by Leeds Health Care Services, Inc. In appropriate circumstances, and upon written request, occupancy by three persons may be permitted by Nottingham Village. Country Houses are available for adults over the age of 65.

e. "Skilled Nursing" means the intermediate and skilled nursing facility operated by Leeds Health Care Services, Inc. and located adjacent to Nottingham Village Retirement Center.

f. "Memory Care" means the Heather Court Personal Care facility operated by Leeds Health Care Services, Inc. and located adjacent to Nottingham Village Retirement Center.

g. "Occupancy Date" means the date on which Resident first occupies his or her Country House unit, or the date on which said residence unit is available for occupancy, whichever first occurs.

h. "Resident" means a person who has executed this Residency Agreement and who is occupying or intends to occupy a Country House unit.

i. "Personal Care" means the residential and personal care units and common area residence facility situated in Point Township, Northumberland County, Pennsylvania, and operated by Leeds Health Care Services, Inc.

j. "Schedule of Charges" means the published rate schedule which lists charges for services rendered by Nottingham Village in effect at the time of notice. All charges for services will be made in accordance with the Schedule of Charges. The Senior Living Administrator of the Retirement Center may, on thirty (30) days advance written notice to the Resident, adjust the Schedule of Charges to reflect any increases in costs of daily operation, management, maintenance, and reserves for repairs and replacements.

## 2. ACCOMMODATIONS PROVIDED BY NOTTINGHAM VILLAGE

a. RESIDENCE UNIT. Upon acceptance of Resident by Nottingham Village, and as applicable of the Country House unit selected by Resident, Resident shall have the exclusive right to occupy and use Country House Unit Number_____ subject to availability as mutually agreed upon by both parties to this Residency Agreement.

b. FURNISHINGS. The Resident shall provide and maintain all furnishings for the Country House unit, except for a range, refrigerator, dishwasher, washer, dryer, heating and cooling units, which shall be furnished by and remain the property of Nottingham Village.

c. COMMON FACILITIES. Resident may use, in common with other residents, including but not limited to, the dining room, reception area, living room, library, activities room, sun room, and other recreational and social areas, grounds and facilities forming a part of Nottingham Village Campus.

## 3. SERVICES PROVIDED BY NOTTINGHAM VILLAGE

a. COMMON AREAS. Nottingham Village will maintain all common areas and grounds in a clean, sanitary and orderly condition.

b. UTILITIES. Nottingham Village will provide all reasonable amounts of water, sewer, heat, and electricity required for all common areas, and will provide all reasonable amounts of water and sewer for the Country House residence units. As each residence unit has its own separate electric meter, the Resident shall be responsible for all charges for electricity, or gas, in his or her residence unit, which includes heat, air conditioning, lights, and an individual water heater.

c. TELEPHONE AND TELEVISION. Nottingham Village will provide telephone and cable television jacks in each residence unit and Resident will be responsible for all charges if such services are desired by Resident.

d. HOUSEKEEPING OF RESIDENCE UNITS. Resident will maintain his or her residence unit in a clean, sanitary and orderly condition and will perform or will cause to be performed all usual housekeeping tasks. If requested by Resident, or if deemed necessary by Nottingham Village Administration, any or all housekeeping tasks will be provided by Nottingham Village at charges according to the Schedule of Charges. Nottingham Village reserves the right to periodically inspect Resident's residence unit at reasonable times.

e. MAINTENANCE AND REPAIRS. Nottingham Village will provide all maintenance and repairs to property and equipment owned by Nottingham Village with the exception of individual awnings and patios. Resident will provide all maintenance and repairs to property and equipment owned by Resident.

f. REDECORATION. Redecoration by Resident of his or her residence unit shall require the prior approval of the Senior Living Administration and will be at Resident's expense. Upon vacating the residence, the Resident may, at Nottingham Village's sole discretion, be responsible for the cost of a later restoration of the residence to its original condition. Any furnishings in the residence unit provided by Nottingham Village shall continue to belong to Nottingham Village regardless of changes made in such furnishings by Resident.

g. STRUCTURAL OR OTHER CHANGES. Any structural or physical change of any kind within or about the residence unit may be made only upon the prior approval of the Senior Living Administration and such change will become the property of Nottingham Village. The cost of any change requested by Resident shall be the responsibility of Resident. Approval of such changes may be conditioned upon Resident's agreement to be responsible for the cost of a later restoration of the residence unit to its original condition.

h. EXTERIOR APPEARANCE. The exterior appearance of all of the Country Houses shall be subject to the control of Nottingham Village, in its sole discretion, including plantings, lighting, yard decorations, attachments to the exterior of the buildings, and similar items, in order that the said Country Houses be maintained in a neat harmonious fashion.

i. LAUNDRY. An automatic washer and dryer for personal laundry will be provided for Resident in the Country House residence unit.

**4. CHANGE IN SERVICE.** The Community reserves the right to alter services and will provide a thirty (30) days advanced notice of any change in services.

## 5. SKILLED NURSING, PERSONAL CARE, AND MEMORY CARE

a. SKILLED NURSING,PERSONAL CARE, AND MEMORY CARE. Nottingham Village operates the Skilled Nursing, Personal Care, and Memory Care facilities for the provision of licensed nursing and personal care services which generally shall be made available on a priority access basis. Priority access is conditioned on Resident satisfying the financial and all other requirements for admission. The costs of nursing and personal care services are at an additional charge and are not included in the Monthly Services Fee. Nottingham Village will exercise its best efforts to accommodate Resident's level of care needs; however, there is no guarantee that space or appropriate bed will be available in Skilled Nursing, Personal Care, or Memory Care facilities at such time as Resident may require nursing or personal care services. If Resident is permanently transferred to Skilled Nursing, Personal Care, or Memory Care facilities this Agreement shall terminate and Resident shall sign an admission agreement for the provision of Skilled Nursing, Personal Care, or Memory Care services.

b. HEALTHCARE SERVICES AND LIABILITY FOR HEALTHCARE COSTS. Resident remains responsible for Resident's own health and personal care while residing in the residence unit. All health and personal care services provided to Resident under this Agreement are at an additional charge.

c. HEALTHCARE SERVICES. The Community, not Resident, shall be liable to another health care provider (including an employee or subcontractor of the Community) for health care services that the Community agrees to furnish under this Agreement in consideration of Resident's payments of the Entrance Fee and other periodic fees.

## 6. FEES AND CHARGES PRIOR TO ADMISSION

a. APPLICATION FEE. The application fee is due and payable by Resident upon the submission of the Application for Admission, in the amount as set forth in the Schedule of Charges.

b. ACCEPTANCE FEE. The acceptance fee is due and payable by Resident upon his or her acceptance following approval by Nottingham Village of Resident's clinical assessment, financial statements, and notification of Resident's acceptance, in the amount set forth in the Schedule of Charges.

c. ENTRANCE FEE. The Entrance Fee is due and payable by Resident within thirty (30) days after notification to Resident of his or her acceptance, or five (5) days prior to Resident occupying the Country House unit, whichever is earlier, in the amount and at the times set forth and shall be governed by the resident's specific Entrance Fee Contract (see Appendix A).

## 7. MONTHLY SERVICES FEE

Resident is required to pay the Monthly Services Fee as set forth in the Schedule of Charges. The Monthly Services Fee is for the purpose of paying for the costs of operation of the Country Houses, water, sewer, taxes, insurance, trash, maintenance, management, reserves for repairs and replacements, and monitoring of the central smoke and fire detection system and response call system installed in the Country Houses. Included in the services provided to all residents are, on premises activities. Not included in the Entrance Fee or in the periodic monthly charges are nursing services, medical services, other health related services and other miscellaneous services as reflected on the Schedule of Charges. The Monthly Services Fee shall be paid monthly in advance by the Resident to Nottingham Village upon receipt of Nottingham Village's monthly statement, plus any other sums properly chargeable to Resident and reflected on the monthly statement. If any Monthly Services Fee or other proper charges are not paid within fifteen (15) days of receipt of Resident's monthly statement. A late fee will be applied. Nottingham Village reserves the right to terminate this Agreement due to non-payment. A 30 day written notice shall be provided prior to an increase in the Monthly Service Fee.

a. CHANGE IN FEES FOR SERVICES AND GOODS. The Community will provide for advance notice to the resident, of not less than 30 days, before any change in fees or charges or the scope of care or services may be effective, except for changes required by State or Federal 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.

## 8. TERMINATION OF THE RESIDENCE AGREEMENT

a. NOTICE OF RIGHT TO RESCIND. Resident may terminate this Agreement within seven (7) days of execution by signing the attached Notice of Right to Rescind and delivering it to Nottingham Village.

b. TERMINATION BY RESIDENT AFTER OCCUPANCY DATE. Resident shall have the right, at any time prior to death, to terminate this Agreement by giving to the Senior Living Administrator one hundred twenty (120) days written notice of Resident's intention to do so.

The written notice need not cite a specific reason for the termination, but it shall state a specific day when the termination is to become effective, at or prior to which Resident will move from the Country House and release the unit. On the effective date of such termination, Resident's obligation to continue the Monthly Services Fee shall cease and Resident shall be entitled to a refund as set forth below.

c. TERMINATION BY NOTTINGHAM VILLAGE. Nottingham Village reserves the right to terminate this Agreement upon a determination of just cause and delivery of thirty (30) days written notice to Resident or Resident's representative or such notice as is reasonable under the circumstances. Just cause shall include, but not be limited to, the following:

(I) Continued failure on the part of Resident to abide by the written rules of Nottingham Village.

(II) The making of any material misrepresentation or omission in connection with Resident's application papers.

(III) A breach by Resident of any of the terms of this Agreement, and which breach is not corrected within thirty (30) days.

(IV) A good faith determination in writing signed by the Medical Director and Nottingham Village Administration that Resident's continued occupancy in the residence unit either creates a serious threat or danger to the life, health, or safety of Resident or creates a serious threat or danger to the life, health, safety, or peaceful enjoyment of other residents or persons. In situations where continued occupancy threatens the life, health, safety, or peaceful enjoyment of Resident or other residents, only such notice as is reasonably practicable under the circumstances will be provided to Resident or Resident's representative, and termination may be effective immediately. On or before the termination date on any such notice, Resident shall move from the Country House and release the unit. On the effective date of such termination, Resident's obligation to pay the Monthly Services Fee shall cease and Resident shall be entitled to a refund as set forth below.

(V) Resident has, for health reasons, moved to Skilled Nursing, Personal Care, or Memory Care, or other similar Skilled Nursing or Personal Care facilities, or a hospital, and has remained in such facility or facilities for at least two (2) months.

d. TERMINATION BY RESIDENT'S DEATH. This Agreement shall terminate upon the death of Resident, whereupon all obligations of the parties to each other shall cease, subject to the obligation of Resident's estate to continue the Monthly Services Fee until Resident's unit has been vacated and keys and garage door opener are returned to the Resident Service's desk. Following such vacation of Resident's unit, Resident's estate shall be entitled to a refund as set forth below:

(I) Death of one of two. If this Agreement has been entered into by two Residents, no refund shall be made unless it is occasioned by the death or removal of the last surviving Resident from the Country House unit.

**9. REFUNDS**

a. APPLICATION FEE. After submission of the Application for Admission and payment of the fee, submission of the prospective Resident's clinical assessment, and financial statements, one-half of this fee will be refunded if the prospective Resident is not accepted. If the prospective Resident terminates the Application after submission thereof, no refund will be made.

b. ACCEPTANCE FEE. As none of this fee is payable until acceptance of the prospective Resident, no refund of this fee will be made if the prospective Resident terminates the Application for whatever reason.

c. ENTRANCE FEE. Any Entrance Fee payments will be refunded in full if Resident rescinds this Agreement within seven (7) days in accordance with the Notice of Right to Rescind. If this Residency Agreement is terminated by reason of Resident's death, illness, injury, or incapacity prior to occupying the unit, a full refund of the Entrance Fee will be made to the prospective Resident or his or her estate less any amounts deducted to cover expenses incurred by Nottingham Village.

Refunds to Residents after occupancy shall be governed by the specific Entrance Fee Refund Schedule (see Appendix B).

All Entrance Fee refunds governed by the Entrance Fee Refund schedule (see Appendix B) at the time the Residency Agreement is signed minus any specific changes requested by the Resident and/or costs incurred to restore unit as a result of redecorations and/or structural or physical changes made by Resident. Normal wear and tear are excluded.

If this agreement has been entered into by Co-Residents, and the Agreement has been terminated by one party, no refund shall be due or payable to that Resident for the reason that the agreement is non-divisible and remains in full force and effect until terminated as to the remaining or surviving Co-Resident.

**10. TIME OF PAYMENT OF REFUND**

b. ENTRANCE FEE. If a refund of the Entrance Fee is due, the refund due the Resident will be paid upon the Resident's unit being occupied by another resident.

## 11. TRANSFER TO OTHER SERVICES OR TO ANOTHER OUTSIDE FACILITY

a. CONDITIONS OF OCCUPANCY. Resident shall have the right to occupy the residence unit for so long as the Resident can safely live independently and meet the conditions of occupancy reflected in the Resident Handbook. If concerns or signs of increased inability to live safely and independently, the Resident may be required to have a medical evaluation review.

b. DECISION TO TRANSFER. Nottingham Village may transfer Resident from and between the residence unit and other available campus services or any other appropriate care facility if it's determined the Resident requires assistance with daily care needs, where safety and wellbeing are at risk. If Resident is transferred permanently to Skilled Nursing, Personal Care, or Memory Care facility, or to any other appropriate facility authorized under this Agreement, Nottingham Village may declare the residence unit vacant and reassign the residence unit to another resident. Resident's opinion and the advice of family and Resident's physician are advisory only and shall not be binding on Nottingham Village. The decision as to whether a transfer shall be deemed temporary or permanent shall be up to the sole discretion of the qualified Medical Team working with Nottingham Village.

c. CHARGES RELATED TO TRANSFER. If Resident transfers to Skilled Nursing, Personal Care, or Memory care services, or another facility, Resident shall pay all charges related to the transfer to and occupancy of Skilled Nursing, Personal Care, or Memory Care facility, or any other facility.

d. RELEASE OF OR RETURN TO RESIDENCE UNIT AFTER TRANSFER.

(I) TEMPORARY TRANSFER. If Resident is temporarily transferred to Skilled Nursing, Personal Care, Memory Care, any or another facility, Resident shall continue to pay the Monthly Services Fee and utilities to retain possession of the residence unit and all charges for care in Skilled Nursing, Personal Care, Memory Care, or any facility. Resident may return to the residence unit at such time as the Medical Team working with Nottingham Village determines that Resident can satisfy the Conditions of Occupancy. In situations of double occupancy where one Co-Resident is temporarily transferred to Skilled Nursing, Personal Care, Memory Care facility, or any facility, the Monthly Services Fee shall remain the same, and the transferred Co-Resident shall be charged and Resident shall collectively be responsible to pay the charges for care and services in Skilled Nursing, Personal Care, Memory Care, or any facility.

(II) PERMANENT TRANSFER. If Resident is permanently transferred to Skilled Nursing, Personal Care, Memory Care, or any facility, the obligation to pay the Monthly Services Fee will cease, and Resident shall surrender and vacate the residence unit within thirty (30) days of written notice of Nottingham Village's decision to permanently transfer Resident and release the residence unit. Resident shall pay all charges for care in Skilled Nursing, Personal Care, Memory Care, or any facility. If the Resident is able to regain the ability to safely independently live, and

satisfy the Conditions of Occupancy of a residence unit, Nottingham Village in the exercise of its discretion, shall make available as soon as reasonably practicable a residence unit with a floor plan comparable to the one relinquished. In situations of double occupancy where one Co-Resident is permanently transferred to Skilled Nursing, Personal Care, Memory Care, or facility, the Monthly Services Fee shall be reduced to the Monthly Services Fee for single occupancy and the transferred Co-Resident shall be charged. The transferred Resident shall collectively be responsible to pay the charges for care and services in Skilled Nursing, Personal Care, Memory Care, or any facility.

## 12. CO-RESIDENTS

If this agreement has been entered into by Co-Residents, and the Agreement has been terminated by one party, no refund shall be due or payable to that Resident for the reason that the agreement is non-divisible and remains in full force and effect until terminated as by the remaining or surviving Co-Resident.

## 13. MARRIAGE AND/OR ADDITIONAL OCCUPANTS

In the event that Resident desires to marry or have another person share the residence unit, the proposed additional occupant must file an application for admission and meet all age and other requirements for admission to the residence unit. In the event that an additional occupant to occupies the residence unit with Resident during the term of this Agreement, the Monthly Services Fee shall be increased to the Monthly Services Fee for double occupancy. 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 Nottingham Village. In the event that the Resident and Nottingham Village are unable to agree on requirements for admission, the Resident may exercise Resident's option to terminate this Agreement at the maximum refund. If admitted, Resident and the proposed additional occupant must enter into another agreement reflecting the fees for the additional occupant's admission.

## 14. OPTION TO MOVE

After occupancy, Resident may request to exercise a limited option to move to another residence unit on Nottingham Village's premises, if and when another residence unit becomes available. Option to move is subject to availability and Nottingham Village's exclusive consent. In the event Resident desires to exercise the option to move to another residence unit, Resident must notify Nottingham Village in writing of the residence unit desired. The costs and charges related to exercising the option to move are Resident's responsibility. Nottingham Village reserves the right to refuse Resident's request to move to another residence unit.

## 15. RIGHTS AND OBLIGATION OF RESIDENT AS TO PROPERTY

a. RIGHTS TO PROPERTY. The rights and privileges granted to Resident by this Agreement do not include any right, title or interest in any part of the personal property, land, buildings, and improvements owned or administered by Nottingham Village. Resident's rights are primarily for services, with a contractual right of occupancy. Any rights, privileges or benefits under this Agreement shall be subordinate to any mortgage or deed of trust on any of the premises or interest in real property of Nottingham Village and to amendments, modifications, replacements or refunding of any such mortgage or deed of trust.

b. RESPONSIBILITY FOR DAMAGES. Any loss to real or personal property of Nottingham Village caused by the fault, negligence or intentional misconduct of Resident shall be paid for by Resident. At the effective date of termination of this Agreement, Resident shall vacate the residence unit and shall leave it in good condition except for reasonable wear and tear. If any fault, negligence or intentional misconduct of Resident results in injury, illness or damage to any other resident, Nottingham Village assumes no responsibility, the Resident hereby releases and discharges Nottingham Village from any injury or damage to Resident or his or her personal property caused by the fault, negligence or intentional misconduct of other residents.

c. RESPONSIBILITY FOR PROTECTION OF RESIDENT'S PROPERTY. Nottingham Village shall not be responsible for the loss of any property belonging to Resident or to Resident's estate, for any cause, unless the care and control of said property is specifically accepted in writing by Nottingham Village, and then only for lack of ordinary care to safeguard and account for such property. Resident shall have the responsibility, at Resident's own expense, of providing any insurance desired to protect against any such loss. If Resident has become unable to occupy his or her residence unit, or has died, or this Agreement has been terminated for any other reason. Nottingham Village will hold such property for such period, not to exceed 60 days, at the risk of Resident's estate or personal representative entitled thereto, subject to ordinary care by Nottingham Village in safeguarding the same until delivery can be had.

## 16. FINANCIAL ABILITY

Resident represents and acknowledges that his or her sources of income and capital are adequate to meet his or her financial responsibilities to Nottingham Village and to cover personal and incidental expenses during the period of residency. Resident represents that he or she has made no gift which would impair Resident's ability to pay the Monthly Services Fee or other charges.

## 17. INABILITY TO PAY

If Resident's income and assets are no longer sufficient to pay the Monthly Fee and any other financial obligations under this Agreement, then Nottingham Village shall deduct from any funds otherwise due Resident as a refund, amounts necessary to fulfill all of Resident's financial obligations under this Agreement. Resident hereby authorizes such deductions from any unamortized portions of the Entrance Fee. Nottingham Village shall make such deductions from any refunds otherwise due under this Agreement at such time as any amounts due to Nottingham Village under this Agreement have been unpaid for more than thirty (30) days from the payment due date. Nottingham Village shall continue to make such deductions from any amounts otherwise due as a refund under this Agreement on a monthly basis to offset any unpaid financial obligations of resident until all funds otherwise due Resident as a refund have been exhausted and paid to the Nottingham Village. Nottingham Village offers no other financial assistance to the resident and reserves the right to terminate this Agreement should the resident exhaust all financial resources.

If any charge or fee is not paid on the date that such payment is due, interest at the rate of 1.5% may be added each month to the unpaid balance of such charge, effective as of the date the balance was originally due until the date the balance is paid in full. In addition, if the Community retains the services of a collection agency or an attorney to obtain the payment of amounts due hereunder, the Community shall be entitled to recover from the Resident all collection agency and attorney's fees, court costs and other collection expenses. You authorize the Community to release information about Your residency, the services provided and any debts owed in attempting to collect amounts due and not paid.

## 18. NONDISCRIMINATION

The Facility agrees to comply with the provisions of the Federal Civil Rights Act of 1964 and the Pennsylvania Human Relations Act, and all requirements imposed pursuant thereto, to the end that no person shall, on grounds of race, color, national origin, age, sex, religion, disability, genetic information, or limited English proficiency, be excluded from participation in, be denied benefits of, or otherwise be subject to discrimination in the provision of any care or service. The nondiscrimination policy of the Facility applies to all employees. Under no circumstances will the application of this policy result in the segregation or re-segregation of buildings, wings, floors and rooms for reasons of race, color, national origin, age, sex, religion, disability, genetic information, sexual orientation, or limited English proficiency.

## 19. RESIDENTS' COUNCIL

The residents of the Country Houses, according to rules developed by all residents, shall elect a Residents' Board of not less than five (5) nor more than nine (9) to represent Country House Residents concerning management topics which the Residents' Council deems proper. Not less than quarterly, the Residents' Board shall have the opportunity to meet with the management of Nottingham Village, for the purpose of a free discussion of subjects, including, but not limited to, income, expenditures, financial trends and problems, as they apply to the Country Houses, as well as a discussion of proposed changes in policies, programs and services.

## 20. FUTURE REGULATIONS

Resident agrees to observe such written regulations, policies and procedures not inconsistent with other provisions of this Agreement as may from time to time be adopted by Nottingham Village. Resident and Nottingham Village agree that such regulations, policies and procedures shall be deemed expressly incorporated into this Agreement by reference.

## 21. RIGHTS OF RESIDENT ARE PERSONAL AND NONTRANSFERABLE

The rights and privileges of Resident under this Agreement to the living accommodations, facilities and services provided for herein are personal to him or her and cannot be assigned by Resident, or by any proceeding at law, or otherwise. No person other than Resident may occupy or use the residence unit covered by this Agreement except with the written approval of Nottingham Village.

## 22. 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 Nottingham Village's Disclosure Statement, which is provided on an annual basis.

## 23. NON-WAIVER OF THE CONTINUING CARE PROVIDER REGISTRATION AND DISCLOSURE ACT OF 1984

No act, agreement, or statement of Resident, or of an individual purchasing care for Resident under this Agreement or any agreement to furnish care to Resident, shall constitute a valid waiver of any provision of the Continuing Care Provider Registration and Disclosure Act of 1984 which is intended for the benefit or protection of Resident or the individual purchasing care for Resident.

## 24. EXTERIOR APPEARANCE

The exterior appearance of all of the Country Houses shall be subject to the control of Nottingham Village, in its sole discretion, including plantings, lighting, yard decorations, attachments to the exterior of the buildings, and similar items, in order that the said Country Houses be maintained in a neat harmonious fashion.

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement the day and year first above written.

WITNESS: DATE:

_____ _____

Residents: DATE:

_____ _____

_____ _____

LEEDS HEALTH CARE SERVICES, INC.
d/b/a NOTTINGHAM VILLAGE
By_____

# NOTICE OF RIGHT TO RESCIND

Date rescission period begins _____, 20___. Resident may rescind and terminate the Residency Agreement without penalty or forfeiture within seven (7) days of the above date. Resident is not required to move into the continuing care facility before the expiration of this seven (7) day period. No other agreement or statement Resident signs shall constitute a waiver of Resident's right to rescind this Agreement within this seven (7) day period.

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

Nottingham Village
58 Neitz Road
Northumberland, PA 17857

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

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

Date:_____

PROSPECTIVE RESIDENT'S SIGNATURE

_____

**MISCELLANEOUS SERVICES OR GOODS OFFERED BY NOTTINGHAM VILLAGE AT AN ADDITIONAL FEE NOT PART OF THE MONTHLY MAINTENANCE FEE OR ENTRANCE FEE.**

The types of goods and services offered by Nottingham Village at an additional fee are described in detail in an attachment to Nottingham Village's Annual Disclosure Statement provided to all residents prior to admission to Nottingham Village and provided annually to all current CCRC residents. They may be purchased here at the time of executing this Agreement and may be purchased additionally at any time during residency.

| Types of Good or Services | Units | Cost Per Unit | Total |
|---|---|---|---|
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Attest:

THE COMMUNITY

_____

BY: _____ _____
Officer of the Community Date

Witness:

_____

_____ _____
Resident SEAL Date

_____

_____ _____
Resident SEAL Date

# EXHIBIT

# E

# Country House Entrance Fee Plan - 5 Year History

* All model fees are below and due as a one-time occupancy fee. Final entrance fee is based on the specifications of the unit and refund schedule.

* All service fees and additional resident fees are monthly.

## November 1, 2024 to Present

| Location/Type | Entrance Fee | Service Fee | Additional Resident |
|---|---|---|---|
| *Deluxe York*<br>2 bedroom | $145,000-$315,000 | $983.00 | $210.00 |
| *James*<br>3 bedroom | $200,000-$412,500 | $1,090.00 | $210.00 |
| *Norfolk*<br>2 bedroom (expanded) | $195,0000-$382,500 | $1,090.00 | $210.00 |
| *Hampton*<br>2 bedroom (expanded) | $210,000-$427,500 | $1,170.00 | $210.00 |
| *Glouster*<br>2-3 bedroom (expanded) | $235,000-$447,750 | $1,170.00 | $210.00 |
| *Cornwall*<br>2 bedroom brick (single) | $149,000-$223,500 | $1,090.00 | $210.00 |

January 1, 2023 to October 31, 2024

| Location/Type | Entrance Fee | Service Fee | Additional Resident |
|---|---|---|---|
| *Deluxe York*<br>2 bedroom | $217,500.00 | $918.00 | $196.00 |
| *James*<br>3 bedroom | $300,000.00 | $1,019.00 | $196.00 |
| *Norfolk*<br>2 bedroom (expanded) | $292,500.00 | $1,019.00 | $196.00 |
| *Hampton*<br>2 bedroom (expanded) | $315,000.00 | $1,097.00 | $196.00 |
| *Glouster*<br>2-3 bedroom (expanded) | $352,500.00 | $1,097.00 | $196.00 |
| *Cornwall*<br>2 bedroom brick (single) | $223,500.00 | $1,019.00 | $196.00 |

March 1, 2022 - April 30, 2022

| Location/Type | Entrance Fee | Service Fee | Additional Resident |
|---|---|---|---|
| *Deluxe York*<br>2 bedroom | $217,500.00 | $820.00 | $175.00 |
| *James*<br>3 bedroom | $300,000.00 | $910.00 | $175.00 |
| *Norfolk*<br>2 bedroom (expanded) | $292,500.00 | $910.00 | $175.00 |
| *Hampton*<br>2 bedroom (expanded) | $315,000.00 | $980.00 | $175.00 |
| *Glouster*<br>2-3 bedroom (expanded) | $352,500.00 | $980.00 | $175.00 |
| *Cornwall*<br>2 bedroom brick (single) | $223,500.00 | $910.00 | $175.00 |

June 01, 2020 – February 28, 2022

| Location/Type | Entrance Fee | Service Fee | Additional Resident |
|---|---|---|---|
| *Deluxe York*<br>2 bedroom | $217,500.00 | $745.00 | $160.00 |
| *James*<br>3 bedroom | $300,000.00 | $825.00 | $160.00 |
| *Norfolk*<br>2 bedroom (expanded) | $292,500.00 | $825.00 | $160.00 |
| *Hampton*<br>2 bedroom (expanded) | $315,000.00 | $890.00 | $160.00 |
| *Glouster*<br>2-3 bedroom (expanded) | $352,500.00 | $890.00 | $160.00 |
| *Cornwall*<br>2 bedroom brick (single) | $223,500.00 | $825.00 | $160.00 |

# EXHIBIT

# F

**NOTTINGHAM VILLAGE SENIOR LIVING COMMUNITY**
**SCHEDULE OF ANCILLARY RATES AND CHARGES**
**(Items and Services not included in Daily Rates)**
**Effective: April 1, 2025**

| | |
|---|---|
| **Telephone Service** | $55.00 per month *(No hook-up fee or long distance charges)*<br>Heather Court<br>Retirement Center |
| **Television (Cable Service)** | $55.00 per month *(No hook-up fee)*<br>Heather Court<br>Retirement Center<br>Country Houses |
| **Laundry Service** | $75.00 per month *(personal clothing)*<br>Heather Court<br>Retirement Center |
| **Housekeeping Service** | $35.00 per hour *(30 minutes minimum)*<br>Retirement Center - Independent<br>Country Houses |
| **Maintenance Service** | $40.00 per hour *(includes gardening, 30 minute minimum)*<br>Retirement Center – Independent<br>Country Houses |

**Beauty and Barber Service**

| | |
|---|---|
| Wash | $8.25 |
| Cut | $17.25 |
| Set | $10.50 |
| Perm *(includes wash and set)* | $71.50 |
| Color *(includes wash and set)* | $55.00 |
| Conditioning Treatment | $7.25 |
| Barber, haircut | $18.25 |
| Ear nape/trim | $8.25 |
| Manicure | $12.75 |

**Meals**

| | |
|---|---|
| Guest Meals (Heather Court) | Charges as posted on current menu |
| Guest Meals (Retirement Center) | Charges as posted on current menu |
| Guest and Independent meals | Charges as posted on current menu |
| Dietician | $22.00 (per 15 min. increments, Retirement Center, Country House and Heather Court) |

**Other Items:**

| | |
|---|---|
| New Resident Fee | $2,000.00 (Heather Court, Retirement Center)<br>$1,975.00<br>(Rental Country House) |
| Key Replacement | $25.00 per key |
| Guest Room Rental | $105.00 Available at the Retirement Center. Two people per room, includes breakfast |
| Washer/Dryer (Retirement Center Only) | $38.50 monthly |
| Storage Rental Area | $30.00 monthly |
| Return Check Charge (NSF) | $65.00 per check |
| Copies | $.35 per page |
| Fax | $1.35 per page |
| DTA Boxes | $80.00 Replacement Cost (Country House & Retirement Center Only) |
| DTA Remote | $30.00 Replacement Cost (Country House & Retirement Center Only) |
| Table Cloth Rental | $4.50 Per Table |

**Transportation** – to and from appointments and hospital, that does not medically require an ambulance will be billed at the following rates:

- Accompaniment charge is an additional $45/hour per Nottingham Village employee, if the employee stays with the resident at the appointment. This charge will be added even if family is present.

| Destination | Rate |
|---|---|
| Allenwood | $158.50 |
| Berwick | $249.00 |
| Bloomsburg | $160.50 |
| Danville | $102.00 |
| Danville-Woodbine Lane | $112.00 |
| Elysburg | $116.00 |
| Harrisburg | $319.50 |
| Hershey | $418.00 |
| Lewisburg | $90.00 |
| Middleburg | $120.00 |
| Mifflinburg | $122.00 |
| Milton | $96.00 |
| Montoursville | $214.50 |
| Mount Carmel | 178.50 |
| Muncy | $148.00 |
| Northumberland | $35.50 |
| Selinsgrove | $88.00 |
| Shamokin | $154.50 |
| Shamokin Dam | $72.00 |
| Sunbury | $56.75 |
| Turbotville | $146.50 |
| Watsontown | $116.00 |
| Williamsport | $210.50 |

**Ancillary providers** including Podiatry, Optometry, Psychological, Audiology, Ambulance/Wheelchair, and Dental Services are all billed separately from Nursing Facility billing. Please speak to an Admissions Director, Social Services, Resident Services, or Compliance Officer to find out more about which plan(s) suit your needs best, along with determining how those services are billed.

**Hearing aid batteries**, if supplied by the facility, will be charged on your monthly statement.

**Therapy Services** - that meet Medicare criteria are covered by Medicare and most insurance plans. Charges not covered will be your responsibility.

**Specialized and custom rehabilitation equipment** – varies

**Medical Supplies** –See Attached List

**Toiletries and Personal Items** –See Attached List

**Medications** - billed on a separate statement by Pharmacy Company

**Monthly Compliance Packing Charge** - $185

**Restorative Nursing I** - $30.00 per visit. RNP I is a *specialized* program providing individualized therapeutic measures, such as ambulation and mobility exercises, that are performed by Restorative Nursing Coordinators, under the direction of the therapy department as ordered by the attending physician.

**Bed Hold** – refer to Nottingham Village Admission Agreement, which provides for bed to be held for Resident while hospitalized, unless Resident or Responsible Party notifies Nottingham Village to the contrary.

**Personal Care** -

*Equipment or supplies that you choose to supply yourself must:

1) be inspected by Nottingham Village Maintenance Department for UL compliance on electrical equipment,
2) meet infection control standards,
3) be in accordance with resident's plan of care, physician's orders, and facility policies,
4) be available when needed. If not available, equipment or supply will be provided by the facility and charged to resident.

*Information and charges may be subject to clarification

# EXHIBIT

# G

**SCHEDULE OF RATES AND CHARGES**
**Effective: December 1, 2024**

# SKILLED NURSING CARE

**Station 1 & 2**

Semi-Private (Two-Bedroom with a half bath).....$470.00 per day
Private (One-Bedroom with a half bath).....$608.00 per day
Private (One-Bedroom with a full bath).....$683.00 per day

**Station 3**

Semi-Private (Two-Bedroom with a full bath).....$477.00 per day
Private (One-Bedroom with a full bath).....$653.00 per day

**The rate for a private, or semi-private room includes:**

* Room
* Meals
* Housekeeping Services
* Personal Care Items
* Routine Supplies
* Medication administration
* Nursing Care twenty-four hours per day
* Linen and Bedding
* Use of walker or wheelchair when medically necessary
* Incontinency Supplies
* Availability of on-site rehabilitation Therapies
* Full calendar of daily activities programs

**Items not included in the above rates:**

Prescription Medications
Medical Supplies & Other Non-Routine Supplies
Physical, Speech, and Occupational Therapy
Podiatrist Services
Laboratory Studies
Appointment Transportation/Accompaniment
X-rays
Beauty or Barber Shop
Personal Television and Telephone
Physician Fees
Personal Laundry

Nottingham Village

**SCHEDULE OF CHARGES EFFECTIVE: November 1, 2024**

# COUNTRY HOUSES

| | Monthly Services Fee |
|---|---|
| 2 bedroom,<br>*The York* | $983 |
| 3 bedroom duplex,<br>*The James on Ridgway* | $1,090 |
| 2 bedroom expanded,<br>*The Norfolk on Minton Way* | $1,090 |
| 3 bedroom single,<br>*The Glouster* | $1,170 |
| 2 bedroom single,<br>*The Cornwall* | $1,090 |
| 2 bedroom/sunroom,<br>*The Hampton* | $1,170 |

**Additional person:** $210 per month
Resident pays electric and/or gas, cable & telephone
Refund at end of occupancy: based on contract

Monthly Services fee includes water, sewer, trash removal, real estate taxes, and insurance on the structure, all maintenance inside and outside, activities, scheduled transportation to super market, stores and local banks.

| | |
|---|---|
| **2 Bedroom Rental Country House** | $2,630 month |
| Resident pays electric, cable & telephone | no monthly services fee |

Nottingham Village

**SCHEDULE OF RATES AND CHARGES**
**Effective: November 1, 2024**

# HEATHER COURT - PERSONAL CARE

| | | |
|---|---|---|
| Semi-private | (Two Bed Room) | $240.00 per day |
| Private | (One Bed Room) | $315.00 per day |
| Spousal | | $185.00 per day |
| Respite/Hospice | | Priced at room rate |

**The rate for Personal Care for an accommodation in Heather Court includes Personal Care services consisting of:**

- Assistance with activities of daily living
- Assistance with medications
- Three delicious restaurant style meals each day plus snacks
- Full calendar of daily programs and social events
- Linen, bedding and housekeeping services
- Scheduled transportation
- Availability of on-site outpatient therapy
- Nursing and Personal Care staff on duty twenty-four hours per day

**Items not included in the above rates:**

Prescription Medications
Medical & Other Non-Routine Supplies
Physical, Speech, and Occupational Therapy
Podiatrist Services
Laboratory Studies
Appointment Transportation/Accompaniment
Personal Care Items
X-rays
Beauty or Barber Shop
Personal Television and Telephone
Physician Fees
Incontinency Supplies
Personal Laundry

Nottingham Village

**SCHEDULE OF RATES AND CHARGES**
**Effective: November 1, 2024**

## Retirement Center Apartments - Independent Living

| | Daily Rate |
|---|---|
| Studio (1 room, kitchen, bath) | $112.00 |
| 1 bedroom | $184.00 |
| 2 bedroom | $212.00 |
| Super Studio East Wing | $135.00 |
| West Wing 1 bedroom converted | $155.00 |

## Retirement Center Apartments - Personal Care

| | Daily Rate |
|---|---|
| Studio | $183.00 |
| 1 bedroom | $254.00 |
| 2 bedroom | $282.00 |
| Super Studio East Wing | $205.00 |
| West Wing 1 bedroom converted | $225.00 |

**Additional Person Independent: $75 per day**
**Additional Person Personal Care: $130 per day**
**Respite Care: Priced at room rate**

**The rate for Personal Care for an apartment in the Retirement Center includes Personal Care services, consisting of:**

- Assistance with activities of daily living
- Assistance with medications
- Three delicious restaurant style meals each day plus snacks
- Full calendar of daily programs and social events
- Linen, bedding and housekeeping services
- Scheduled transportation
- Availability of on-site outpatient therapy
- Nursing and Personal Care staff on duty twenty-four hours per day

**Items not included in the above rates:**

Prescription Medications
Medical & Other Non-Routine Supplies
Physical, Speech, and Occupational Therapy
Podiatrist Services
Laboratory Studies
Appointment Transportation/Accompaniment
Personal Care Items
X-rays
Beauty or Barber Shop
Personal Television and Telephone
Physician Fees
Incontinency Supplies
Personal Laundry

# EXHIBIT

# H

## Note 7 - Statutory Liquid Reserves

Act 82 requires the provider to establish and maintain liquid reserves in an amount equal or exceeding debt service requirements due in the next 12 months on any loan or long-term financing or 10% of the projected annual operating expenses of the facility exclusive of depreciation. The reserve shall only be computed on the proportional share of financing or operating expenses that is applicable to residents under entrance fee agreement contracts.

Budgeted operating expense utilized in the reserve calculation is based on the costs specifically related to the costs of the Leeds Retirement Center and was calculated as follows:

| | |
|---|---|
| Projected operating expenses for the year ended December 31, 2026 | $ 4,719,287 |
| Budgeted depreciation and amortization expense | (41,070) |
| | 4,678,217 |
| Statutory requirement | 10.00% |
| Statutory liquid reserve requirement | 467,822 (a) |
| Total Debt Service | - (b) |
| Larger of (a) or (b) | 467,822 |
| Percentage of residents subject to entrance fee agreements at December 31, 2025 | 40.16% |
| **Statutory Liquid Reserve Requirement (Rounded)** | $ 187,900 |

## Note 8 - Retirement Plan

The Company sponsors a defined contribution pension plan that qualifies under Section 401(k) of the IRC. Employees are eligible to participate after completion of one year of service. The Company matches 50% of the first 6% of eligible compensation that a participant contributes to the plan. Total employer contributions for the years ended December 31, 2025 and 2024 were $87,598 and $87,568, respectively.

## Note 9 - Commitments and Contingencies

### Liability and Malpractice Claims

The Company is subject to various claims, both actual and potential, arising out of the conduct of its business. The Company maintains professional liability coverage on a claims-made basis through a commercial insurance carrier. In the opinion of management, the outcome of these claims will not have a material adverse effect on the Company's consolidated financial position.

# EXHIBIT

# I

# ENTRANCE FEE ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made this 28th day of March, 2005, by and between Leeds Health Care Services, Inc, ("Provider") and Northumberland National Bank ("Bank").

## BACKGROUND

Pursuant to the Pennsylvania Continuing Care Provider Registration and Disclosure Act, Act No. 1984-82, June 18, 1994, and the regulations promulgated thereunder (the "Act") Provider desires to establish an Entrance Fee Escrow Account with a bank, trust company or other escrow agent approved by the Pennsylvania Insurance Commissioner. Provider wishes to have Bank service as escrow agent of its Entrance Fee Escrow Account and Bank is willing to serve as escrow agent.

## TERMS

The parties, each intending to be legally bound, agree as follows:

1. Bank will receive and hold in a separate interest bearing account (the "Entrance Fee Escrow Account"), all entrance fees ("Entrance Fees") deposited to such account by Provider.

2. Bank will invest the funds in the Entrance Fee Escrow Account in accordance with the instructions of the Provider. Upon request by the Bank, Provider's counsel will confirm to the Bank that the investment instructions of Provider are in accordance with the limitations on investments imposed by the Act. Bank may rely on such instructions without hesitancy. Bank shall keep records of the investments of the deposits and of the amounts earned.

3. Bank and Provider acknowledge that, on the date hereof, Bank has received the sum of $ 0 in the Entrance Fee Escrow Account.

4. Bank will release funds constituting principal which are held in the Entrance Fee Escrow Account to Provider upon Provider's certification, in writing, that such funds may be released in accordance with the Act and has the prior written approval of the Insurance Commissioner for the release of such funds. Bank may require that such certification be accompanied by an opinion of Provider's counsel that such release is in accordance with the Act.

5. Interest or other income earned on the Entrance Fee Escrow Account shall be the exclusive property of the Provider and shall be paid to Provider upon its request, subject to the requirements of the Act, as expressed in Section 12(3).

6. Bank will release an Entrance Fee to the person or persons who paid the Entrance Fee upon receipt of written notice from Provider that such person is entitled to a refund of the Entrance Fee. Bank may rely on a statement from Provider that such person or persons is that or those persons who paid the entrance fee or fees.

7. Any one of the following individuals may be considered authorized agents of Provider for the purpose of making any and all statements to Bank under the terms of this Agreement:

Frederick D. Kessler President
Virginia A. Kessler Controller
Jessica Klinger Chief Financial Officer

8. Bank shall have the right to resign as escrow agent by giving not more than sixty (60) days and not less than thirty (30) days written notice to Provider. Prior to the effective date of the resignation, Provider shall appoint a successor escrow agent.

9. Provider may require Bank to resign as agent by giving not more than sixty (60) days and not less than thirty (30) days notice to Bank and to the Insurance Commissioner. Prior to the effective date of the registration, Provider shall appoint a successor escrow agent acceptable to the Insurance Commissioner.

10. The Entrance Fee Escrow Account and this Agreement shall automatically terminate when Provider is no longer required to maintain an Entrance Fee Escrow Account under the Act. At that time, upon written notice from Provider, Bank shall release all remaining funds to Provider with the prior written approval of the Insurance Commissioner.

11. Anything to the contrary herein notwithstanding, if at the expiration of the applicable period set forth in Section 12(3) of the Act, the funds in the Entrance Fee Escrow Account have not been released, upon written notice from Provider or the Insurance Commissioner, Bank shall return such funds to the individuals who made the payments to the Provider, or may, at Bank's election, either petition the Insurance Commissioner for written direction respecting the proper disposition of the funds in the Entrance Fee Escrow Account or commence an action in interpleader in an appropriate forum, deposit the funds in the court in which such action is commenced and upon such deposit have no further obligation or liability under this Escrow Agreement. Bank may rely on such written direction or notice received from the Insurance Commissioner as being true and correct in all respects.

12. Provider shall indemnify and hold Bank harmless from and against any and all claims, liabilities, suits or actions, for all damages, expenses, liabilities, penalties or losses, including reasonable attorneys fees and costs, which Bank may incur, arising in

the course of Bank's service or actions as escrow agent for Provider under this Agreement except to the extent attributable to the negligence or willful misconduct of the Bank, its employees or agents.

13. The Bank shall be under no duty to make any investigation or inquiry as to any statements made to it orally or in writing by Provider, but may accept and rely upon same as conclusive evidence as to the truth and accuracy thereof. Distributions made in accordance with the provisions hereof, so far as concerns the Bank, shall be determined to be legal, proper, and the Bank shall be relieved of all responsibility with respect thereto, and shall be liable only to provide proof of the distribution. The Bank may consult with Provider's counsel, or its own counsel, and shall be fully protected in relying upon the opinion of counsel.

14. Bank, for its services hereunder, will be compensated in accordance with the terms of a separate agreement with Provider. All such expenses may be charged in whole or in part from the income of the Escrow Account.

15. This Agreement may be amended by written agreement signed by the parties provided that ten (10) days written advance notice of any proposed amendment shall have been given to the Insurance Commissioner by Provider and proof of such notice is given to Bank.

IN WITNESS WHEREOF, the parties hereto have duly executed this Entrance Fee Escrow Agreement this day and year first above written.

ATTEST:

Leeds Health Care Services, Inc. ( dba Nottingham Village )

By:

Northumberland National Bank

By:

# EXHIBIT

# J

rkl ADVISORS for WHAT'S NEXT

# Ridgway Holding, Inc. and Affiliates

## Consolidated Financial Statements

December 31, 2025 and 2024

**Ridgway Holding, Inc. and Affiliates**

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December 31, 2025 and 2024


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rkl ADVISORS for WHAT'S NEXT

# Independent Auditor's Report

To the Stockholder
Ridgway Holding, Inc. and Affiliates
Northumberland, Pennsylvania

## Opinion

We have audited the consolidated financial statements of Ridgway Holding, Inc. and Affiliates (the Company), which comprise the consolidated balance sheet as of December 31, 2025 and 2024, the related consolidated statements of income, stockholder's equity (deficit), and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and; therefore, is not a guarantee that an audit conducted in accordance with 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 financial statements.

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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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.

RKL LLP

June 5, 2026
Mechanicsburg, Pennsylvania

## Ridgway Holding, Inc. and Affiliates

Consolidated Balance Sheet

| | December 31, 2025 | 2024 |
|---|---|---|
| ***Assets*** | | |
| **Current Assets** | | |
| Cash and cash equivalents | **$ 4,393,943** | $ 3,635,060 |
| Cash and cash equivalents - restricted for statutory reserve | **187,900** | 153,000 |
| Certificates of deposit | **16,310** | 16,310 |
| Accounts receivable, net | **2,572,115** | 2,170,696 |
| Accounts receivable - employee advances | **-** | 264 |
| Supplies inventory | **155,054** | 147,410 |
| Prepaid expenses | **611,261** | 636,077 |
| **Total Current Assets (Including Assets of $1,027,049 and $534,955 in 2025 and 2024, Respectively, due to Noncontrolling Interest)** | **7,936,583** | 6,758,817 |
| **Property and Equipment** | | |
| Buildings and improvements | **29,386,445** | 29,351,754 |
| Furniture, fixtures, and equipment | **4,020,388** | 3,931,409 |
| Construction in progress | **-** | 35,543 |
| Leasehold improvements | **2,236,303** | 2,057,942 |
| Motor vehicles | **779,570** | 608,109 |
| Land and improvements | **217,189** | 217,189 |
| | **36,639,895** | 36,201,946 |
| Accumulated depreciation | **(24,733,747)** | (23,750,000) |
| **Property and Equipment, Net (Including Assets of $9,220,047 and $9,967,742 in 2025 and 2024, Respectively, due to Noncontrolling Interest)** | **11,906,148** | 12,451,946 |
| **Total Assets** | **$ 19,842,731** | $ 19,210,763 |

See accompanying notes.

## Ridgway Holding, Inc. and Affiliates

Consolidated Balance Sheet (continued)

| | December 31, 2025 | 2024 |
|---|---|---|
| ***Liabilities and Stockholder's Equity (Deficit)*** | | |
| **Current Liabilities** | | |
| Lines of credit | $ - | $ 40,004 |
| Current portion of long-term debt | **1,728,505** | 616,074 |
| Notes payable - related parties | **10,000** | 668,397 |
| Accounts payable | **804,889** | 1,334,959 |
| Accounts payable - nursing assessment | **149,223** | 142,708 |
| Accrued expenses | **1,805,303** | 684,612 |
| Rental deposits | **8,287** | 8,287 |
| Resident trust account | **48,981** | 42,436 |
| **Total Current Liabilities (Including Liabilities of $1,568,292 and $590,591 in 2025 and 2024, Respectively, due to Noncontrolling Interest)** | **4,555,188** | 3,537,477 |
| **Other Liabilities** | | |
| Refundable entrance fees (attributable to noncontrolling interest) | **3,062,281** | 3,316,031 |
| Deferred revenue - entrance fees (attributable to noncontrolling interest) | **4,836,048** | 4,026,803 |
| Long-term debt, net of current portion (including liabilities of $6,496,099 and $8,094,287 in 2025 and 2024, respectively, attributable to noncontrolling interest) | **7,017,250** | 8,968,542 |
| **Total Other Liabilities** | **14,915,579** | 16,311,376 |
| **Total Liabilities** | **19,470,767** | 19,848,853 |
| **Stockholder's Equity (Deficit)** | | |
| Common stock, $0.01 par: 100 shares authorized, issued, and outstanding | **1** | 1 |
| Additional paid-in capital | **1,072,346** | 1,072,346 |
| Retained earnings | **4,757,702** | 3,557,039 |
| **Ridgway Holding, Inc. Stockholder's Equity** | **5,830,049** | 4,629,386 |
| Noncontrolling interest - partners' deficit | **(5,458,085)** | (5,267,476) |
| **Total Stockholder's Equity (Deficit)** | **371,964** | (638,090) |
| **Total Liabilities and Stockholder's Equity (Deficit)** | **$ 19,842,731** | $ 19,210,763 |

See accompanying notes.

## Ridgway Holding, Inc. and Affiliates

Consolidated Statement of Income

| | Years Ended December 31, 2025 | 2024 |
|---|---|---|
| **Operating Revenues** | | |
| Net resident service revenues | **$ 25,065,470** | $ 22,867,380 |
| Entrance fee amortization | **480,754** | 585,311 |
| Other operating revenues | **325,427** | 334,909 |
| Professional building rental | **90,085** | 89,017 |
| **Total Operating Revenues** | **25,961,736** | 23,876,617 |
| **Operating Expenses** | | |
| Nursing | **11,111,442** | 10,966,320 |
| General and administrative | **2,708,434** | 2,385,479 |
| Plant operation and maintenance | **3,539,906** | 3,121,292 |
| Dietary | **2,094,315** | 2,140,344 |
| Depreciation and amortization | **1,048,239** | 1,065,091 |
| Physical, speech, and occupational therapy | **1,174,390** | 1,067,775 |
| Cybersecurity incident costs | **1,027,090** | - |
| Housekeeping and laundry | **637,473** | 651,310 |
| Activity and social services | **533,347** | 502,209 |
| Other operating expenses | **53,172** | 154,037 |
| Barber and beauty salon | **34,456** | 38,581 |
| | **23,962,264** | 22,092,438 |
| Interest expense | **346,717** | 408,259 |
| **Total Operating Expenses** | **24,308,981** | 22,500,697 |
| **Net Operating Income** | **1,652,755** | 1,375,920 |
| **Other Income (Loss)** | | |
| Other non-service income | **55,969** | 38,901 |
| Interest and dividend income | **79,079** | 23,978 |
| Gain (loss) on disposal of property and equipment | **4,251** | (8,218) |
| **Total Other Income, Net** | **139,299** | 54,661 |
| **Net Income** | **1,792,054** | 1,430,581 |
| **Net Income Attributable to Noncontrolling Interest** | **190,609** | 96,569 |
| **Net Income Attributable to Ridgway Holding, Inc.** | **$ 1,982,663** | $ 1,527,150 |

See accompanying notes.

## Ridgway Holding, Inc. and Affiliates

Consolidated Statement of Stockholder's Equity (Deficit)

| | Ridgway Holding, Inc. | | | Noncontrolling Interest | |
|---|---|---|---|---|---|
| | Common Stock | Additional Paid-In Capital | Retained Earnings | Partners' Deficit | Total |
| **Balance at December 31, 2023** | $ 1 | $ 1,072,346 | $ 2,342,940 | $ (5,170,907) | $ (1,755,620) |
| Net income (loss) | - | - | 1,527,150 | (96,569) | 1,430,581 |
| Distributions to stockholder | - | - | (313,051) | - | (313,051) |
| **Balance at December 31, 2024** | 1 | 1,072,346 | 3,557,039 | (5,267,476) | (638,090) |
| Net income (loss) | - | - | **1,982,663** | **(190,609)** | **1,792,054** |
| Distributions to stockholder | - | - | **(782,000)** | - | **(782,000)** |
| **Balance at December 31, 2025** | **$ 1** | **$ 1,072,346** | **$ 4,757,702** | **$ (5,458,085)** | **$ 371,964** |

See accompanying notes.

## Ridgway Holding, Inc. and Affiliates

Consolidated Statement of Cash Flows

| | Years Ended December 31, 2025 | 2024 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Net income | **$ 1,792,054** | $ 1,430,581 |
| Adjustment to reconcile net income to net cash provided by operating activities | | |
| (Gain) loss on disposal of property and equipment | **(4,251)** | 8,218 |
| Depreciation and amortization | **1,048,239** | 1,065,091 |
| Amortization of deferred revenue - entrance fees | **(480,754)** | (585,311) |
| Proceeds from entrance fees | **1,290,000** | 713,125 |
| (Increase) decrease in assets | | |
| Accounts receivable, net | **(401,419)** | (286,678) |
| Accounts receivable - nursing assessment | **-** | 8,583 |
| Accounts receivable - employee advances | **264** | 736 |
| Supplies inventory | **(7,644)** | 34,863 |
| Prepaid expenses | **24,816** | 22,169 |
| Increase (decrease) in liabilities | | |
| Accounts payable | **(530,071)** | (47,388) |
| Accounts payable - nursing assessment | **6,515** | 8,985 |
| Accrued expenses | **1,120,691** | 210,430 |
| Rental deposits | **-** | (16,093) |
| Resident trust account | **6,545** | 6,473 |
| **Net Cash Provided by Operating Activities** | **3,864,985** | 2,573,784 |
| **Cash Flows from Investing Activities** | | |
| Capital expenditures | **(592,289)** | (124,461) |
| Proceeds from disposal of property and equipment | **94,100** | 43,000 |
| **Net Cash Used in Investing Activities** | **(498,189)** | (81,461) |
| **Cash Flows from Financing Activities** | | |
| Net repayments on lines of credit | **(40,004)** | (280,000) |
| Repayments of long-term debt | **(838,861)** | (905,918) |
| Refunds of entrance fees | **(253,751)** | (247,500) |
| Payments on notes payable - related parties | **(658,397)** | - |
| Distributions to stockholder | **(782,000)** | (145,056) |
| **Net Cash Used in Financing Activities** | **(2,573,013)** | (1,578,474) |
| **Net Increase in Cash, Cash Equivalents, and Restricted Cash** | **793,783** | 913,849 |
| **Cash, Cash Equivalents, and Restricted Cash at Beginning of Year** | **3,788,060** | 2,874,211 |
| **Cash, Cash Equivalents, and Restricted Cash at End of Year** | **$ 4,581,843** | $ 3,788,060 |

See accompanying notes.

## Ridgway Holding, Inc. and Affiliates

Consolidated Statement of Cash Flows (continued)

| | Years Ended December 31, 2025 | 2024 |
|---|---|---|
| **Supplementary Cash Flows Information** | | |
| Cash paid for interest | **$ 346,717** | $ 408,259 |
| **Supplementary Schedule of Noncash Investing and Financing Activities** | | |
| Distributions to stockholder/partner funded by notes payable - related parties | **$ -** | $ 168,000 |
| **Cash, Cash Equivalents, and Restricted Cash is Comprised of the Following on the Consolidated Balance Sheet** | | |
| Cash and cash equivalents | **$ 4,393,943** | $ 3,635,060 |
| Cash and cash equivalents - restricted for statutory reserve | **187,900** | 153,000 |
| | **$ 4,581,843** | $ 3,788,060 |

See accompanying notes.

## Note 1 - Nature of Operations

Ridgway Holding, Inc. (Ridgway) was incorporated under the laws of Pennsylvania and is the sole stockholder of Nottingham Health Care Service, Inc. (NHCS) and Leeds Health Care Services, Inc. d/b/a Nottingham Village (Leeds).

Leeds operates a Continuing Care Retirement Community (CCRC) consisting of 65 independent living units (Country Homes), of which approximately 55 are entrance-fee units and 10 are rental units. Leeds operates a 121-bed skilled nursing facility known as the Nursing Center, and a 48-bed personal care home, licensed as a secure dementia unit known as Heather Court. It also operates a 90-bed personal care home known as the Retirement Center, which contains 62 apartment units, but is licensed for 90 beds.

NHCS owns the real estate related to the nursing home and leases these facilities to Leeds.

Nottingham Village Retirement Center Associates, LP (NVRC) is a limited partnership organized under the laws of Pennsylvania. NVRC owns the real estate related to the retirement center and personal care home and leases these facilities to Leeds. NVRC holds the advance fees and related liabilities of the CCRC contracts.

## Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

### Principles of Consolidation

The consolidated financial statements include the accounts of Ridgway and its wholly-owned Affiliates, NHCS, Leeds, and a variable interest entity, NVRC (collectively, the Company). All material intercompany transactions and amounts have been eliminated in consolidation.

### Variable Interest Entity and Noncontrolling Interest

The Company is the primary beneficiary of NVRC, an entity related by common ownership. Accordingly, the assets and liabilities of NVRC have been included in the accompanying consolidated balance sheet. The portion of consolidated net income and partners' deficit attributable to NVRC is reported as noncontrolling interest - partners' deficit in the consolidated financial statements.

Creditors and beneficial holders of NVRC have no recourse to the assets or general credit of Ridgway, NHCS, and Leeds.

### Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

## Note 2 - Summary of Significant Accounting Policies (continued)

### Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents. NVRC maintains an entrance fee escrow account, as required by the Pennsylvania Continuing Care Provider Registration and Disclosure Act (Act 82), to hold fees paid by prospective residents until the unit is occupied. At December 31, 2025 and 2024, the amounts held by NVRC in an escrow account were $601,754 and $196,662, respectively.

### Accounts Receivable and Allowance for Credit Losses

The Company extends credit in the normal course of business to its residents and performs ongoing credit evaluations of those residents. Accounts receivable are recorded net of an allowance for credit losses to reserve for potential uncollectible amounts. Receivables are generally due 30 days after billed. The allowance for credit losses is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable and is based upon historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with specific accounts. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Provisions for credit losses are recorded in general and administrative expense. The allowance for credit losses was $386,367 and $233,133 at December 31, 2025 and 2024, respectively.

### Supplies Inventory

Inventory represent consumable supplies and are recorded at cost.

### Property and Equipment

Property and equipment are stated at cost and are depreciated using the straight-line method based upon estimated useful lives (or the lesser of estimated useful lives or lease term for leased assets and leasehold improvements). Maintenance and repairs of property and equipment are charged to operations as incurred and major improvements are capitalized. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the account and any gain or loss is charged against operations. Construction in progress is stated at cost and represent costs incurred on projects, which were not completed as of the consolidated balance sheet date. These costs are not being depreciated until the underlying assets are placed into service.

### Long-Lived Assets

Long-lived assets, other than those held for sale, are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Management has concluded that no impairment reserves were required as of December 31, 2025 or 2024.

## Note 2 - Summary of Significant Accounting Policies (continued)

### Revenue Recognition

The Company recognizes resident service revenue at the amount that reflects the consideration the Company expects to receive in exchange for the services provided. Amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Resident service revenue is recognized as performance obligations are satisfied as determined based on the nature of the services provided.

The Company provides housing for residents under the terms of a resident services agreement, which generally renew monthly at the election of the resident. Residents are required to pay a monthly service fee while residing in independent or personal care facilities. The Company also provides skilled nursing care and personal care services under daily fee for service arrangements. The Company considers the monthly and daily service fees to represent a performance obligation, which is satisfied over the time period the services are provided to residents. Ancillary resident services and chargeable therapy and prescription services are recognized at the time the service is provided to residents.

The Company's residency agreements generally require payment of an entrance fee to secure occupancy and future access to continuing care services within the Company. Entrance fees are generally refundable for a stated time period following occupancy, declining over a period of up to 52 months depending on the type of refund contract entered into by the resident. Resident entrance fee plans contain a guaranteed refund component equal to a certain percentage up to 50% of the total entrance fee, which is payable upon reoccupancy of the vacated unit but no later than one year after the unit has been vacated. The amount of the entrance fee expected to be refunded to residents is recorded as a liability and is not amortized to income. The Company considers the nonrefundable portion of entrance fees to represent a performance obligation that is satisfied over a period of time equal to the lifetime expectation of residency in the Company. Accordingly, nonrefundable entrance fees are amortized into income using the straight-line method over the annually adjusted estimated remaining life expectancies of the residents and are classified as deferred revenues.

The Company has agreements with third-party payors that provide for payments to the Company at amounts different from its established rates. The Company records revenue based on the estimated transaction price based on the terms of the contract with the payor, historical payment trends, other correspondence, and retroactive adjustment, if any.

A summary of the principal payment arrangements with major third-party payors follows:

Medical Assistance: Nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments. Approximately 24% and 23% of the Company's net resident service revenues in the years ended December 31, 2025 and 2024, respectively, were derived from the Medical Assistance program.

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. Approximately 12% of the Company's net resident service revenues in the years ended December 31, 2025 and 2024 were derived from the Medicare Part A program.

## Note 2 - Summary of Significant Accounting Policies (continued)

### Revenue Recognition (continued)

Net resident service revenues by payor is summarized as follows for the years ended December 31:

| | 2025 | 2024 |
|---|---|---|
| Medical Assistance | $ 6,100,255 | $ 5,320,301 |
| Medicare | 3,106,304 | 2,827,588 |
| Private pay and other | 15,858,911 | 14,719,491 |
| | $ 25,065,470 | $ 22,867,380 |

The Company has determined (at a contract level) that contracts for resident services do not contain a significant financing component and has elected the practical expedient within Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, to exclude from adjustment performance obligations that are expected to be satisfied within one year of customer payment. The Company has also elected the practical expedient within ASC 340, *Other Assets and Deferred Costs*, to expense incremental costs of obtaining contracts when the related amortization period is one year or less.

### Contract Balances

The Company records amounts of revenue collected in advance as deferred revenue until the related performance obligations are satisfied. These amounts primarily include entrance fees, which are collected in advance of unit occupancy. The Company had total deferred revenues from resident entrance fees of $4,836,048 and $4,026,803 at December 31, 2025 and 2024, respectively. For the years ended December 31, 2025 and 2024, the Company recognized $424,371 and $527,114, respectively, of revenue that was included in deferred revenue - entrance fees as of January 1, 2025 and 2024. Contractual refund obligations under existing resident agreements were $3,455,726 and $3,945,205 at December 31, 2025 and 2024, respectively.

For the years ended December 31, 2025 and 2024, the Company recognized $157,954 and $63,395, respectively, in credit loss expense related to the write-off of existing accounts receivable and to provide for an allowance for expected credit losses.

As provided in ASC 606, the Company elected not to disclose amounts attributable to remaining performance obligations that are expected to be satisfied within one year.

### Advertising Costs

Advertising costs are expensed as incurred. Advertising costs incurred during the years ended December 31, 2025 and 2024 amounted to $161,203 and $213,923, respectively.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Income Taxes**

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code (IRC) for federal and state jurisdictions. Under this election, the Company's net income or loss is reportable by the stockholder. NVRC files federal and state partnership returns. The partners are taxed individually on their share of the partnership's earnings. The Company and partnership, at their discretion, may distribute money to cover those income taxes.

Final regulations were issued in December 2018 for a new centralized partnership audit regime. Under these new rules, if the partnership is audited and adjustments are made, the partnership may be required to pay an imputed underpayment of tax with respect to these adjustments. The partnership is not permitted to opt-out of the centralized partnership audit regime; however, an election is available to push-out the imputed underpayment to the reviewed year partners. The Company has not received notice from the Internal Revenue Service of its intent to examine any open tax years.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Company had taken no uncertain tax positions that require recognition or disclosure in the consolidated financial statements. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. With few exceptions, the Company is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2022.

**Charity Care**

The Company defines charity care as the cost of health care services provided that are not expected to be reimbursed by private pay or third-party payors. Since the Company does not expect payment, charity care charges are not included in revenue.

Charity care is primarily derived from the Company's Medical Assistance residents and represents the excess of average daily cost over the total reimbursements. For the years ended December 31, 2025 and 2024, the cost of charity care was $2,988,728 and $2,338,775, respectively.

**Concentrations of Credit Risk**

Certain financial instruments potentially subject the Company to concentrations of credit risk. These financial instruments consist primarily of cash, cash equivalents, restricted cash, and accounts receivable. The Company places its temporary cash investments with several financial institutions. Account balances are insured by the Federal Deposit Insurance Corporation up to certain limits. Balances may exceed insured limits at times; however, the Company does not anticipate any losses.

The Company grants credit to their residents and other third-party payors, primarily Medicare, Medicaid, and various commercial insurance companies, without requiring collateral. Reserves are maintained for potential credit losses and such losses have historically been within management's expectations.

### Note 3 - Short-Term Debt and Lines of Credit

NHCS has an available revolving line of credit with a bank in the maximum amount of $150,000 with interest charged at The Wall Street Journal (WSJ) prime rate with no floor (6.75% and 7.50% at December 31, 2025 and 2024, respectively). At December 31, 2025 and 2024, there was no outstanding balance on the line of credit. The line of credit matures July 2026 and is secured by a guarantee by the related company.

Leeds has an available revolving line of credit with a bank in the maximum amount of $300,000 with interest charged at the WSJ prime rate with no floor (6.75% and 7.50% at December 31, 2025 and 2024, respectively). At December 31, 2025 and 2024, there was no outstanding balance on the line of credit. The line of credit is due on demand and secured by a mortgage on NHCS' property and guarantees by NHCS and a related company.

NVRC has a line of credit for construction expansion including independent living units and a memory-care facility. The line of credit will be advanced, from time to time, in connection with campus expansion costs in the maximum amount of $1,000,000. Interest is charged at the WSJ prime rate with no floor (6.75% and 7.50% at December 31, 2025 and 2024, respectively). At December 31, 2025 and 2024, the outstanding balance on the line of credit was $-0- and $40,004, respectively. The line of credit is due on demand and secured by a mortgage on Company owned real estate and a guarantee by a related company.

### Note 4 - Long-Term Debt

A summary of long-term debt consists of the following at December 31:

| | 2025 | 2024 |
|---|---|---|
| **NHCS** | | |
| Mortgage payable to bank in monthly installments, including interest; fixed interest at 3.75% until August 2026, after which may be entitled to change to a variable rate based on FHLB five-year amortizing fixed rate plus 2.40%, subject to a 3.50% floor; secured by mortgages on property of the Company and a guarantee by a related company; matures December 2031 | **$ 601,595** | $ 700,200 |
| Mortgage payable to bank in monthly installments, including interest; fixed interest at 3.75% until August 2026, after which may be entitled to change to a variable rate based on FHLB five-year amortizing fixed rate plus 2.40%, subject to a 3.50% floor; secured by mortgages on property of the Company and a guarantee by a related company; matures December 2032 | **89,769** | 336,792 |
| **Total NHCS** | **691,364** | 1,036,992 |

**Note 4 - Long-Term Debt (continued)**

| | 2025 | 2024 |
|---|---|---|
| **NVRC** | | |
| Note payable to bank in monthly installments of $11,717, including interest; interest at 3.75% until August 2026 after which may be entitled to change to a variable rate based on FHLB five-year amortizing fixed rate plus 2.40%, subject to a 3.50% floor; secured by mortgages on property of the Company and guarantees by Ridgway and a related company; matures July 2036 | **$ 1,221,055** | $ 1,313,458 |
| Construction loan payable in monthly installments of $49,973; interest at 3.75% until August 2026 after which may be entitled to change to a variable rate based on FHLB five-year amortizing fixed rate plus 2.40%, subject to a 3.50% floor; secured by mortgages on property of the Company and guarantees by Ridgway and a related company; matures December 2037 | **5,748,617** | 6,125,447 |
| Construction loan payable (2015 Construction Loan); interest at 3.75%; payable in fixed increments as specified in the agreement (see last paragraph of Note 4); secured by mortgages on property of the Company and a guarantee of a related party; matures July 2026 | **1,084,719** | 1,108,719 |
| **Total NVRC** | **8,054,391** | 8,547,624 |
| | **8,745,755** | 9,584,616 |
| Current portion | **(1,728,505)** | (616,074) |
| | **$ 7,017,250** | $ 8,968,542 |

Aggregate maturities on long-term debt assuming no changes in payment terms are as follows for the five years ending December 31:

| | |
|---|---|
| 2026 | **$ 1,728,505** |
| 2027 | **617,968** |
| 2028 | **625,716** |
| 2029 | **653,788** |
| 2030 | **683,121** |

### Note 4 - Long-Term Debt (continued)

The 2015 Construction Loan required fixed principal payments upon occupancy of each entrance-fee residential unit constructed. Maturities on the 2015 Construction Loan had been determined based on management's estimated construction schedule and occupancy of the residential units. As of December 31, 2025, the remaining principal amount is due on the extended maturity date in July 2026.

### Note 5 - Rental Income

The Company has entered into agreements to rent a portion of its facility. Under the terms of the agreements, monthly rents range from $2,743 to $4,682. In addition, the tenants are required to pay insurance, real estate taxes, utilities, and other charges. Rental income was $90,085 and $89,017 for the years ended December 31, 2025 and 2024, respectively. Future minimum rent under the agreements are as follows:

| | |
|---|---|
| 2026 | **$ 86,435** |
| 2027 | **32,776** |

### Note 6 - Related Party Transactions

Synergy Grandview Pharmacy, Inc. (Synergy), a related party due to common ownership, provides pharmacy services to Leeds. During the years ended December 31, 2025 and 2024, Leeds paid $862,095 and $954,864, respectively, for pharmacy services. At December 31, 2025 and 2024, accounts payable included $101,368 and $194,186, respectively, due to Synergy.

Eagle Construction, a related party due to common ownership, provides certain construction services on behalf of the Company. During the years ended December 31, 2025 and 2024, the Company paid Eagle Construction $439,557 and $247,368, respectively, relating to various construction and repairs projects. At December 31, 2025 and 2024, accounts payable included $124,291 and $2,520, respectively, due to Eagle Construction.

The Company has notes payable to related parties totaling $10,000 and $668,397 at December 31, 2025 and 2024, respectively. The advances are non-interest bearing and due on demand.

## Note 7 - Statutory Liquid Reserves

Act 82 requires the provider to establish and maintain liquid reserves in an amount equal or exceeding debt service requirements due in the next 12 months on any loan or long-term financing or 10% of the projected annual operating expenses of the facility exclusive of depreciation. The reserve shall only be computed on the proportional share of financing or operating expenses that is applicable to residents under entrance fee agreement contracts.

Budgeted operating expense utilized in the reserve calculation is based on the costs specifically related to the costs of the Leeds Retirement Center and was calculated as follows:

| | |
|---|---|
| Projected operating expenses for the year ended December 31, 2026 | $ 4,719,287 |
| Budgeted depreciation and amortization expense | (41,070) |
| | 4,678,217 |
| Statutory requirement | 10.00% |
| Statutory liquid reserve requirement | 467,822 (a) |
| Total Debt Service | - (b) |
| Larger of (a) or (b) | 467,822 |
| Percentage of residents subject to entrance fee agreements at December 31, 2025 | 40.16% |
| **Statutory Liquid Reserve Requirement (Rounded)** | $ 187,900 |

## Note 8 - Retirement Plan

The Company sponsors a defined contribution pension plan that qualifies under Section 401(k) of the IRC. Employees are eligible to participate after completion of one year of service. The Company matches 50% of the first 6% of eligible compensation that a participant contributes to the plan. Total employer contributions for the years ended December 31, 2025 and 2024 were $87,598 and $87,568, respectively.

## Note 9 - Commitments and Contingencies

### Liability and Malpractice Claims

The Company is subject to various claims, both actual and potential, arising out of the conduct of its business. The Company maintains professional liability coverage on a claims-made basis through a commercial insurance carrier. In the opinion of management, the outcome of these claims will not have a material adverse effect on the Company's consolidated financial position.

## Note 9 - Commitments and Contingencies (continued)

### Regulatory Compliance

The Company 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. Management is not aware of any material incidents of noncompliance; however, the possible future effects of these matters on the Company, if any, are not determinable.

### Cybersecurity Incident

In November 2025, the Company experienced an information security incident involving unauthorized access to certain systems. As of December 31, 2025, the Company accrued cybersecurity incident costs of $1,027,090 for estimated breach-related costs and loss contingencies based on management's evaluation of known facts and consultation with legal counsel. Due to uncertainties inherent in the investigation and resolution of these matters, actual results could differ from the amount accrued.

## Note 10 - Subsequent Events

The Company has evaluated subsequent events through June 5, 2026. This date is the date that the consolidated financial statements were available to be issued. No material events subsequent to December 31, 2025 were noted.

# EXHIBIT

# K

May 31, 2026

# Nottingham Village

## ANNUAL COST OF PROVIDING SERVICES

| | |
|---|---|
| Total operating expenses, 2026, from Accountant's Consolidated Financial Statement | $ 4,678,217 |
| Total number of apartment and CCRC units | 126 |
| CCRC units only | 65 |
| Percent CCRC units | 51.59% |
| Costs allocated to CCRC units | $ 2,413,492 |
| Number of CCRC residents as of January 1, 2026 | 67 |
| Number of CCRC units as of January 1, 2026 | 45 |
| Annual cost per CCRC resident | $ 36,022 |
| Annual cost per CCRC unit | $ 53,633 |

# EXHIBIT

# L

Nottingham Village

# 0% Refund Table

Days

| Effective 3/1/2022 | Selling Price | 1-30 | 31-60 | 61-90 | 91-120 | 121-150 | 151-190 | 151-190 |
|---|---|---|---|---|---|---|---|---|
| **Deluxe York**: Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $145,000 | $139,925 | $135,028 | $130,302 | $125,741 | $121,340 | $117,093 | $0 |
| **James**: Three-Bedroom Duplex w/Screened Porch and Garage (2 Bathrooms) | $200,000 | $193,000 | $186,245 | $179,726 | $173,436 | $167,366 | $161,508 | $0 |
| **Norfolk**: Two-Bedroom Expanded Duplex w/Sunroom and Garage (2 Bathrooms) | $195,000 | $188,175 | $181,589 | $175,233 | $169,100 | $163,182 | $157,470 | $0 |
| **Hampton**: Two-Bedroom w/Sunroom and Oversize Garage (2 Bathrooms) | $210,000 | $202,650 | $195,557 | $188,713 | $182,108 | $175,734 | $169,583 | $0 |
| **Glouster**: Two or Three Bedroom Single w/ Screened Porch and Oversize Garage (2 Bathrooms) | $235,000 | $226,775 | $218,838 | $211,179 | $203,787 | $196,655 | $189,772 | $0 |
| **Cornwall**: Brick Two-Bedroom Single w/Storage and Garage (2 Bathrooms) | $149,000 | $143,785 | $138,753 | $133,896 | $129,210 | $124,687 | $120,323 | $0 |

* Selling price can vary per unit based on the specifications of each resident.

Nottingham Village

# 25% Refund Table

| Effective 3/1/2022 | Selling Price | First Year 80% | 2% a Month - Until Max Refund | Max Refund |
|---|---|---|---|---|
| **Deluxe York**: Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $181,250 | $145,000 | $3,625 | $45,312.50 |
| **James:** Three-Bedroom Duplex w/Screened Porch and Garage (2 Bathrooms) | $250,000 | $200,000 | $5,000 | $62,500.00 |
| **Norfolk:** Two-Bedroom Expanded Duplex w/Sunroom and Garage (2 Bathrooms) | $243,750 | $195,000 | $4,875 | $60,937.50 |
| **Hampton:** Two-Bedroom w/Sunroom and Oversize Garage (2 Bathrooms) | $262,500 | $210,000 | $5,250 | $65,625.00 |
| **Glouster:** Two or Three Bedroom Single w/ Screened Porch and Oversize Garage (2 Bathrooms) | $293,750 | $235,000 | $5,875 | $73,437.50 |
| **Cornwall**: Brick Two-Bedroom Single w/Storage and Garage (2 Bathrooms) | $186,250 | $149,000 | $3,725 | $46,562.50 |

Nottingham Village

# 50% Refund Table

| Effective 3/1/2022 | Selling Price | First Year 90% | 1% a Month - Until Max Refund | Max Refund |
|---|---|---|---|---|
| **Deluxe York**: Two-Bedroom w/ Screened Porch and Garage (1.5 Bathrooms) | $217,500 | $195,750 | $2,175 | $108,750.00 |
| **James:** Three-Bedroom Duplex w/Screened Porch and Garage (2 Bathrooms) | $300,000 | $270,000 | $3,000 | $150,000.00 |
| **Norfolk:** Two-Bedroom Expanded Duplex w/Sunroom and Garage (2 Bathrooms) | $292,500 | $263,250 | $2,925 | $146,250.00 |
| **Hampton:** Two-Bedroom w/Sunroom and Oversize Garage (2 Bathrooms) | $315,000 | $283,500 | $3,150 | $157,500.00 |
| **Glouster:** Two or Three Bedroom Single w/ Screened Porch and Oversize Garage (2 Bathrooms) | $352,500 | $317,250 | $3,525 | $176,250.00 |
| **Cornwall**: Brick Two-Bedroom Single w/Storage and Garage (2 Bathrooms) | $223,500 | $201,150 | $2,235 | $111,750.00 |

# EXHIBIT

# M

# NOTICE OF RIGHT TO RESCIND

Date rescission period begins _____, 20___. Resident may rescind and terminate the Residency Agreement without penalty or forfeiture within seven (7) days of the above date. Resident is not required to move into the continuing care facility before the expiration of this seven (7) day period. No other agreement or statement Resident signs shall constitute a waiver of Resident's right to rescind this Agreement within this seven (7) day period.

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

Nottingham Village
58 Neitz Road
Northumberland, PA 17857

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

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

Date:_____

PROSPECTIVE RESIDENT'S SIGNATURE

_____



_____

_____

# EXHIBIT

# N

## COUNTRY HOUSE AVAILABLE & NOT OCCUPIED

**5/31/2026**

| | | | | | Unit Price based on Refund Schedule | | |
|---|---|---|---|---|---|---|---|
| | | | **Monthly Maintenance Fee** | **Additional Person Monthly Fee** | **0%** | **25%** | **50%** |
| BRISTOL | 114 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| BRISTOL | 116 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| BRISTOL | 137 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| BRISTOL | 141 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| BRISTOL | 143 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| RIDGWAY | 120 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| RIDGWAY | 131 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| MINTON WAY | 141 | N | $1,090.00 | $210.00 | $195,000 to $255,000 | $243,750 to $318,750 | $292,500 to $382,500 |
| MINTON WAY | 161 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| MINTON WAY | 163 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| MINTON WAY | 164 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| MINTON WAY | 112 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| MINTON WAY | 114 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| AYNSLEY CIRCLE | 124 | Y | $2,630.00, includes monthly maintenance fee | N/A | N/A | N/A | N/A |
| AYNSLEY CIRCLE | 128 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |
| AYNSLEY CIRCLE | 129 | Y | $983.00 | $210.00 | $145,000 to $210,000 | $181,250 to $262,500 | $217,500 to $315,000 |

Y= YORK
C= CORNWALL
N= NORFOLK
J= JAMES
G= GLOUSTER
H= HAMPTON

# EXHIBIT

# O

### Note 4 - Long-Term Debt (continued)

The 2015 Construction Loan required fixed principal payments upon occupancy of each entrance-fee residential unit constructed. Maturities on the 2015 Construction Loan had been determined based on management's estimated construction schedule and occupancy of the residential units. As of December 31, 2025, the remaining principal amount is due on the extended maturity date in July 2026.

### Note 5 - Rental Income

The Company has entered into agreements to rent a portion of its facility. Under the terms of the agreements, monthly rents range from $2,743 to $4,682. In addition, the tenants are required to pay insurance, real estate taxes, utilities, and other charges. Rental income was $90,085 and $89,017 for the years ended December 31, 2025 and 2024, respectively. Future minimum rent under the agreements are as follows:

| | |
|---|---|
| 2026 | **$ 86,435** |
| 2027 | **32,776** |

### Note 6 - Related Party Transactions

Synergy Grandview Pharmacy, Inc. (Synergy), a related party due to common ownership, provides pharmacy services to Leeds. During the years ended December 31, 2025 and 2024, Leeds paid $862,095 and $954,864, respectively, for pharmacy services. At December 31, 2025 and 2024, accounts payable included $101,368 and $194,186, respectively, due to Synergy.

Eagle Construction, a related party due to common ownership, provides certain construction services on behalf of the Company. During the years ended December 31, 2025 and 2024, the Company paid Eagle Construction $439,557 and $247,368, respectively, relating to various construction and repairs projects. At December 31, 2025 and 2024, accounts payable included $124,291 and $2,520, respectively, due to Eagle Construction.

The Company has notes payable to related parties totaling $10,000 and $668,397 at December 31, 2025 and 2024, respectively. The advances are non-interest bearing and due on demand.

# LEEDS HEALTH CARE SERVICES, INC

## Actual Versus Pro Forma Comparison (Taken from Ridgway Financials)

### Year: 2026

| | 2025 Leeds Proforma | 2025 Leeds Actual | Variance | 2026 Leeds Proforma |
|---|---|---|---|---|
| INCOME: ALL SERVICE REVENUE | 37,047,124 | 35,282,975 | *-1,764,149* | 37,970,942 |
| LESS: CONTRACT ALLOWANCES | -13,905,466 | -12,415,595 | *1,489,871* | -12,428,796 |
| **NET SERVICE REVENUE** | **23,141,657** | **25,065,470** | ***1,923,813*** | **25,542,146** |
| OTHER SERVICES REVENUE | 421,367 | 325,427 | *-95,940* | 206,069 |
| **TOTAL ADJUSTED INCOME** | **23,563,024** | **25,390,897** | ***1,827,873*** | **25,748,215** |
| OPERATING EXPENSES | 21,871,514 | 23,962,264 | *-2,090,750* | 23,243,396 |
| INTEREST EXPENSE | 404,176 | 346,717 | *-57,459* | 357,119 |
| **NET OPERATING INCOME** | **1,287,334** | **1,081,916** | ***-205,418*** | **2,147,701** |
| OTHER INCOME | 100,000 | 90,085 | *-9,915* | 92,788 |
| OTHER INCOME | 85,000 | 139,299 | *54,299* | 39,000 |
| OTHER NON-CONTROLLING INTEREST | 6,574 | 190,609 | *184,035* | 0 |
| **TOTAL OTHER INCOME/EXPENSE** | **191,574** | **419,993** | ***228,419*** | **131,788** |
| **NET INCOME** | **1,478,909** | **1,501,909** | ***23,000*** | **2,279,488** |
| ENTRANCE FEE REVENUE REALIZED | 500,000 | 480,754 | *-19,246* | 500,000 |
| **NET INCOME** | **1,978,909** | **1,982,663** | ***3,754*** | **2,779,488** |

pennsylvania
INSURANCE DEPARTMENT

May 22, 2026

Beth Gesumaria
Chief Financial Officer
Nottingham Village
58 Neitz Road
Northumberland, PA 17857

Via Email: bgesumaria@nottinghamvillage.org

**RE: 2025 - Request to File Consolidated Audited Financial Reports**

Dear Mr. Gesumaria:

The Pennsylvania Insurance Department ("the Department") is in receipt of Nottingham Village request dated May 21, 2026, seeking approval to file consolidated audited financial statements in lieu of an individual audited statements for the Fiscal Year Ended ("FYE") December 31, 2025, pursuant to 31 Pa Code §147.7(a). This request is for Leeds Health Care Services, Inc. dba Nottingham Village, Nottingham Health Care Services, Inc. and Ridgway Holding, Inc., regulated entities.

Pursuant to 40 P.S. §3225, the Department hereby approves the request to file consolidated audited financial statements in accordance with 31 PA Code §147.7(c) for the FYE December 31, 2025, conditioned as follows:

1. The consolidated audited financial statements shall contain all of the information of the Company as required pursuant to 40 P.S. §3207(a)(9) and 31 PA Code §§147.7(c) and 151.11, which provides for an audited columnar or consolidating worksheet setting forth each entity's financial statement as well as eliminating entries.
2. The consolidated audited financial statements shall be prepared as set forth in 31 PA Code §147.4(e); and
3. Under 40 P.S. §3209, statutory liquid reserve calculation must be subjected to auditing procedures, included as part of the audited financial statement either in the notes or a supplemental schedule, and the amount is to be reported on the balance sheet (both main and consolidating) as a separate line item.

This approval is limited to the FYE December 31, 2025, annual audited financial statement. If consolidation is sought for subsequent reporting periods, a timely request must be submitted, and approval received pursuant to Pa Code §147.7(c).

Should you have any questions, please contact us at RA-IN-CCRC@pa.gov

Sincerely,

Karen Veronikis

Karen Veronikis
CCRC Exam Manager

Pennsylvania
INSURANCE DEPARTMENT

**Continuing Care Retirement Community Provider Annual Disclosure Statement Filing Fee Invoice**

**LEEDS HEALTH CARE SERVICES, INC.**

Payor ID: 59305
Invoice Number: 1803334175
Detail ID: **3494820**

Customer Number: 910752

| Date | Item | Amount |
|---|---|---|
| 3/24/2026 | CCRC Annual Disclosure Statement Filing Fee | $750 |
| | **Amount due:** | **$ 750** |

This invoice is a billing of all active CCRC annual disclosure statement filing fees for 2026.

To avoid potential enforcement action and penalties, payment must be received on or before 4/30/2026.

For payment, please visit the electronic payment service at https://www.bpp.ob.pa.gov/customer

- If making an ACH/Intellicheck payment from a corporate account, **before making a payment,** please notify your banking institution to add the Commonwealth of Pennsylvania, ACH ID#9049039603, to allow for ACH/Intellicheck payments.
- This link will connect to Office of Budget Payment Center.
- Go to "Make a Payment for an Accounts Receivable Invoice (not related to a loan)".
- Failure to select this option (paying an Accounts Receivable) will result in the payment not applying to your customer account.
- First time users click the "New Registration" link at the bottom to create an account.
- The following information is obtained from the invoice: customer number, invoice number, invoice date and invoice amount.
- After registration, click on "Payments" in the upper right corner, select "Invoices." The system will prompt the user through the payment process.
- For Snap Pay questions, contact RA-OBCO_PYMTCENTER@pa.gov or 717-425-6724.
- If you cannot make payment online, **you must include a copy of the invoice with your check, or the payment will be returned.**

8927
7309

**CCRC ANNUAL DISCLOSURE STATEMENT FEE**

Invoice ID: 1803334175

Due Date: 4/30/2026
Print Date: 3/24/2026

Payor ID: 59305

Payment Amount: $ 750

**Amount Due: $ 750**

**Questions or concerns?**
Email us at ra-in-companylicense@pa.gov

cc Beth ✓

REMITTANCE ADVICE: IF ANY ERRORS ARE FOUND NOTIFY US AT ONCE. DETACH BEFORE DEPOSITING.

| INVOICE DATE | INVOICE NUMBER | REFERENCE | GROSS | DISCOUNT | NET |
|---|---|---|---|---|---|
| 03/24/2026 | 1803334175 | CUST 910752 | $750.00 | $0.00 | $750.00 |
| | Your copy | | | | |
| NOTTINGHAM VILLAGE 019195 | | **REMITTANCE TOTALS** | $750.00 | $0.00 | $750.00 |

FULTON BANK

60-142
313

NO. 19195

Nottingham Village

*58 NEITZ RD NORTHUMBERLAND, PENNSYLVANIA 17857*
*TELEPHONE (570) 473-8366*

| DATE |
|---|
| 03/27/2026 |

| AMOUNT |
|---|
| $750.00 |

Seven Hundred Fifty Dollars and 00 Cents

PAY TO THE ORDER OF

COMMONWEALTH OF PENNSYLVANIA
INSURANCE DEPARTMENT
1345 STRAWBERRY SQUARE
HARRISBURG, PA 17120

MP

"019195" :031301422: 0314 21437"

1049 PENNSYLVANIA INSURANCE DEPARTMENT 03/27/2026 019195

| Invoice Date | Invoice Number | Description | Gross Amount | Discount | Net Amount |
|---|---|---|---|---|---|
| 03/24/2026 | 1803334175 | CUST 910752 | $750.00 | $0.00 | $750.00 |
| | | | $750.00 | $0.00 | $750.00 |