



THE WATERMARK
AT 3030 PARK

Disclosure Statement

As of January 1, 2017

COMMUNITY: **The Watermark at 3030 Park**
3030 Park Avenue, Bridgeport, Connecticut 06604

PROVIDER: **CT Watermark 3030, LLC**

MANAGER: **Watermark Retirement Communities
of Connecticut, LLC**

This community, like all other continuing care retirement communities in the State of Connecticut, is subject to the provisions of Section 17b-520 et seq of the Connecticut General Statutes as amended to date and from time to time. Registration under such provisions does not constitute approval, recommendation or endorsement of the community by the Department of Social Services of the State of Connecticut, nor does such registration evidence the accuracy or completeness of the information in this Disclosure Statement.

This Disclosure Statement has been prepared to give prospective residents, their families, and their advisors information about the facilities, operation and management of The Watermark at 3030 Park.





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AT 3030 PARK

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COMMUNITY INFORMATION

Overview

The Watermark at 3030 Park (the “Community”) is located at 3030 Park Avenue, Bridgeport, Connecticut 06604 and is operated by CT Watermark 3030, LLC (the “Provider”). Founded in 1968 on a beautiful 14 acre park-like campus, the Community was one of the first continuing care retirement communities established in the Northeast. Its residents come from throughout Fairfield County, the surrounding areas of Connecticut and metropolitan New York, and beyond. Our website is www.3030Park.WatermarkCommunities.com.

Our residents enjoy the freedom and independence of individual apartment living, the convenience of housekeeping, dining, maintenance, transportation and other services, the whole-person health & wellness benefits of fitness facilities, artistic programs, and Watermark University courses, all accompanied by the security of 24-hour staffing. Our selection of residences includes studios, one bedrooms, two bedrooms, and cottages.

Our Community also has a residential healthcare building (the “Health Center”), connected by an enclosed pedestrian bridge, giving our residents the comfort of knowing that advanced care is here if they need it.

Accommodations

- | | |
|--------------------------|---|
| <i>The “Town Center”</i> | ● 184 Independent Living Apartments |
| <i>The “Inn”</i> | ● 26 Assisted Living Studios and One-Bedrooms (all private) |
| <i>The “Gardens”</i> | ● 12 Memory Care Studios (accommodates 13) |
| <i>The “Springs”</i> | ● 23 Skilled Nursing beds (all private) |
| | ● Rehabilitation Center (short-term & outpatient) |

Representative list of Physical and Programming Amenities

- | | |
|--------------------------------------|---|
| ● Mark Restaurant and W Lounge | ● Watermark University |
| ● Gallery Cafe | ● Creative Arts and Music studios |
| ● Vitality Fitness Center | ● Personal Trainers, Fitness classes |
| ● Glass-enclosed indoor pool | ● Walking trails, 14-acre campus |
| ● Library and Computer Center | ● Activities Programming, Shopping Excursions |
| ● Auditorium / Theatre | ● Multi-Denominational Place of Worship |
| ● Art Exhibition Hall | ● Woodworking studio |
| ● Indulge Spa & Salon | ● Resident gardens |
| ● Housekeeping, Maintenance | ● Guest suites |
| ● Limousine and Bus services | ● In-home resident care services |
| ● Resident Parking and Valet Service | ● 24-hour staffing, security |

Independent Living Programs and Facilities

Our programs and facilities promote a lifestyle that enables and encourages our residents to be active and independent. Ours is an atmosphere that invites and encourages residents to engage, learn, laugh, and thrive! Extensive common areas encourage social interaction, such as The Gallery Café where residents can enjoy breakfast or lunch, purchase to-go items, or sit by the fireplace with friends. Residents keep on top of today’s news and yesterday’s classics in our well-equipped library, and stay online and in touch in our computer center. Our ‘resident artists’ take – and teach! – classes in our Art Studio and exhibit their works in our Art Gallery along with rotating local exhibitions. Residents enjoy a cocktail, beer or wine with friends in the “W” Lounge, or catch the big game on its large screen TVs, and enjoy formal dining in The “Mark” restaurant. They strengthen their muscles on our work-out equipment and with Watermark personal trainers, get their heart pumping in ‘balance and stretch’ classes, and swim leisurely laps in our glass-enclosed indoor pool. The woodworking shop is where some residents stay sharp, but for our ‘resident musicians’ it’s the music workshop where they stay right in tune.

For those of our residents who enjoy the great outdoors, our campus grounds are landscaped with a wide variety of foliage, mature trees, grassy lawns, walking paths... and we even have an area dedicated for residents to plant their own gardens.

At Watermark we know that stimulating the mind is an important part of whole-person wellness and offers enormous benefits. So we created “Watermark University” where our residents take classes – and teach classes – across an eclectic and wide-ranging curriculum that also involves Community associates, family members, and local community participants. These are just a few of the 60+ courses offered in Watermark University’s 2016 Fall Semester:

- *Mindful Meditation*
- *Finder Lake Wines*
- *Watercolor Painting*
- *This Day in History*
- *Foreign Film Review*
- *The 30 Greatest Orchestral Works*
- *Aqua Zumba*
- *Guggenheim Museum*
- *Computer Classes*

Of course we also offer convenient services and amenities. Our residents get their hair styled and nails polished (and that occasional massage) at our very own Indulge Salon. They frequent our Auditorium (which can accommodate upwards of 200 people) to watch movies, attend concerts, and participate in Resident Association meetings and other gatherings. Residents attend a range of religious and spiritual services in our multi-denominational place of worship. And they utilize our town car and bus services for their transportation needs including shopping excursions, local appointments, airport connections, and the like.

At Watermark, our commitment is for residents to ***thrive!***

Form of Contract, Entrance Fee, Monthly Service Fee

In most cases, a resident moving into one of the residences in our Town Center independent living neighborhood enters into a Continuing Care Contract (a “Contract”) with the Provider. The Contract provides the resident with the right to live in a specific apartment for as long as she or he is able to do so safely and independently in accordance with standards established by the Provider. The resident pays certain fees under the Contract, including a one-time Entrance Fee in conjunction with the resident’s initial move into the Community, and a Monthly Service Fee payable each month for as long as the resident remains in occupancy.

The amount of the Entrance Fee generally depends on three factors: the specific apartment unit selected by the resident (where variables include overall unit features, size, and location of the apartment), the type of Continuing Care Contract chosen by the resident (Traditional or Life Care), and the Refund Plan chosen by the resident. Depending on the Refund Plan selected, the resident or his or her estate may be entitled to a return of a portion of the Entrance Fee after the resident moves out of the Community (i.e., after the Contract is terminated) and the specific apartment unit is re-occupied by another resident. For Contracts entered into after October 1, 2015, Provider must pay the refundable portion of the Entrance Fee, if any, within three years of the date of Contract termination. The Contract types and the services provided under the Contract are more fully described in this Disclosure Statement in the section entitled “Overview of Continuing Care Contracts.”

The amount of the Monthly Service Fee generally depends on the specific apartment unit in which the resident resides, for which the resident receives certain services such as periodic housekeeping, laundering of resident-provided bed/bath linens, continental breakfast, evening dinner, building maintenance, utilities, local telephone service, receptionist services, scheduled transportation, access to the Community’s common areas and amenities, 24-hour staffing and emergency response system. Details on the frequency and scope of the services referred to above can be found in the Resident Handbook which is available at the Community.

A variety of services (“Additional Services”) are available at additional charge, such as dedicated and covered parking, Indulge Salon/Spa services, extra meals, personal laundry services, long distance telephone service, cable service, special request maintenance services, guest rooms, meals for visitors and private transportation. A listing of Additional Services and associated costs is provided in Exhibit B of the Continuing Care Contract, which in turn can be found in Exhibit A of this Disclosure Statement.

In-Home Assisted Living Services

Under our Town Center Tiered Assisted Services Program, Watermark provides residents the opportunity to receive assisted living services in the comfort of their Town Center home. We utilize a tiered point system with rates based on individual needs and determined through a personal assessment by Watermark nursing staff. The program is intended to help residents continue to age successfully in their Town Center apartment for as long as possible without necessarily having to move to a higher level of care.

The tiered system includes medication plan services, certified nursing assistant (C.N.A.) and/or in-home aide services, monthly vital sign checks, nursing assessment every 120 days, and access to the Watermark Club. The medication plan services component provides for bi-weekly pre-pour of medications, coordination of prescription renewals and/or refills, and consultations with physicians, pharmacists and families. The C.N.A. services component provides for escorts to dining rooms, assistance with activities of daily living such as dressing, showering, toileting and assistance with in-home meals. The Watermark Club is a daily activity program centered on its members' interests with the goal of assisting its members to thrive socially. These services do not include private duty care which is a separate service available at the Community.

The Provider is licensed as an Assisted Living Services Agency ("ALSA") by the Connecticut Department of Public Health and, as such, may provide services to residents who are chronic and stable. If a resident's condition is no longer chronic and stable, then the resident must obtain services from a licensed home health care agency, or transfer to an appropriate level of care within the Community or to another facility.

Rental Accommodations

We offer a limited program whereby independent living residents may move into certain apartments in the Town Center on a rental basis. This program includes 10 studio and one-bedroom units in a designated location referred to as "2 North" on the second floor. The Provider reserves the right to determine, from time to time, the criteria for this program and whether to continue the program.

Health Center

Connected by a covered pedestrian bridge, the Community's state-of-the-art Health Center contains our higher-acuity care residential neighborhoods including 26 assisted living studios and one-bedrooms (which we call "The Inn"), 13 memory care studios ("The Gardens"), and 23 skilled nursing private suites and rehabilitation center ("The Springs") – all designed with the human spirit in mind. Our Health Center residents receive services that are personalized and scheduled to meet their needs. The Health Center serves the needs of our internal independent living resident population (on a temporary or permanent basis) as well as direct external move-ins, including rehabilitation services for short-term skilled nursing residents and on an outpatient

basis. The costs and expenses associated with residency and services in the Health Center for our independent living residents (whether temporary or longer term) depend on the type of Contract originally selected by the resident.

Planned Improvements

We have recently completed a number of capital improvements at The Watermark at 3030 Park, and we are in planning on yet more improvements and renovations to be undertaken in the year ahead. Some of these are “back of the house” improvements that will not be readily visible to residents, such as building system improvements, kitchen upgrades, and the ongoing renovation and upgrade of individual apartment units as they become available in between occupancies. Other of these improvements will be readily visible to residents such as the planned renovation of the Town Center common areas including the main floor lobby and lounge, the corridors and elevator lobbies on floors two through ten, common area furniture upgrades, and the expansion of the Gallery Cafe.

Planned Expansion

We are also in planning stages for an expansion project involving new construction that will add a limited number of new apartments to our campus. The general location of this planned expansion is the western portion of the campus (the side bordering Park Avenue). An initial plan of expansion was designed in 2007-2008 and received zoning approvals at that time, which approvals were recently renewed. That plan includes one 3-story independent living building connected to the west wing of the existing Town Center building, containing 39 apartments, plus four cottage duplex buildings similar to our existing cottages. We are presently reviewing that original 2007-2008 plan with a particular eye toward assuring that our final plan is respectful of the natural beauty open space that characterizes our campus. At such time as we reach a revised plan we will present that plan to the Residents’ Council and Residents’ Association.

Residents’ Council; Residents’ Association

The Watermark at 3030 Park has an active Residents’ Council comprised of officers elected by the resident population. The Residents’ Council advocates for residents’ rights, functions as an advisory board to the Provider with respect to resident welfare and interests, creates and oversees sub-committees in furtherance of the foregoing, and meets regularly with the Community’s Executive Director as well as with the Residents’ Association.

The Residents’ Association consists of all residents, who automatically become members when they move into the Community. There are no fees associated with membership.

OWNERSHIP, MANAGEMENT, CAPITALIZATION

Provider: CT Watermark 3030, LLC

The Watermark at 3030 Park is operated by CT Watermark 3030, LLC (the “Provider”), a Delaware limited liability company. The Provider’s corporate address is 2020 West Rudasill Road, Tucson, AZ 85704. Following is a list of the entities that own 5% or more of the Provider’s membership interests, in each case followed by the individual exercising control over such entity: Barnes Family Revocable Trust, controlled by David Barnes; TFG Holdings V, LLC, controlled by David Freshwater; CTW Capital, LLC, controlled by Frederick Zarrilli.

The Operator’s management committee consists of David Barnes, David Freshwater, and Frederick Zarrilli. David Barnes and David Freshwater are the founders of the Watermark Retirement Communities, Inc. and its predecessors & affiliates, and each of them have had dedicated careers in the seniors housing profession since the 1980’s. Frederick Zarrilli has 32 years of experience in real estate investment including 18 years of involvement in the seniors housing industry.

Manager: Watermark Retirement Communities of Connecticut, L.L.C.

The Watermark at 3030 Park is managed by Watermark Retirement Communities of Connecticut, L.L.C. (the “Manager”) pursuant to a long term management contract entered into between Manager and CT Watermark 3030 LLC on June 1, 2016. The Manager has managed the Community since 2006, having also had a management contract with the prior owner/operator. The Manager is a wholly owned subsidiary of Watermark Retirement Communities, Inc. (“WRC”), an Arizona corporation. WRC has been operating senior living communities for over three decades. Founded in 1985 and originally named The Fountains, WRC currently operates 39 senior living communities in 20 States across the United States, including CCRC’s, stand-alone independent living, assisted living, and memory care communities, and Medicare-certified skilled nursing/rehabilitation facilities. In connection with development, capital improvement and finance activities, WRC works in close coordination with its sister company The Freshwater Group. WRC is committed to a new paradigm for addressing the housing, hospitality and healthcare needs of America’s aging population, a vision which integrates the best of technology, forward-thinking service and care strategies, and innovative building design.

For more information please visit: **www.watermarkcommunities.com**.

Legal Organization and Capitalization

On June 1, 2016, The Watermark at 3030 Park underwent a change of real property ownership and financial recapitalization including, without limitation, the following: (1) the real property constituting the Community was acquired by NHI-REIT of Axel, LLC (“NHI Owner”), a wholly owned subsidiary of National Health Investors, Inc. (“NHI”), which is a real estate investment trust listed on the New York Stock Exchange (ticker symbol NYSE: NHI); and (2) CT Watermark 3030, LLC acquired long-term leasehold possession of the Community through a series of three long-term leases, as follows: (A) a lease (the “Master Lease”) between NHI Owner and EL FW Intermediary I, LLC (“East Lake”), an affiliate of East Lake Capital Management, a private institutional investment firm; (B) a lease (the “Lease”) between East Lake and CT Watermark Operator, LLC, which is the parent company of CT Watermark 3030, LLC; and (C) a lease (the “Sublease”) between CT Watermark Operator, LLC and CT Watermark 3030, LLC. This form of leasehold-based ownership and financing structure is common in the institutional healthcare and seniors housing industry.

Another seniors housing community known as The Watermark at East Hill located in Southbury Connecticut was also acquired by NHI Owner on June 1, 2016, constitutes a part of the premises (along with The Watermark at 3030 Park) leased pursuant to the Master Lease and the Lease (as defined above), and is currently operated by an affiliate of the Operator and managed by the Manager.

Mortgage Indebtedness

The Watermark at 3030 Park is owned “free & clear” by NHI Owner, and the underlying real estate does not serve as collateral for any secured mortgage indebtedness.

Regulatory Reserves

The Provider maintains certain accounts including, without limitation, an entrance fee escrow and a reserve funding escrow account established in accordance with Connecticut General Statutes sections 17(b)-524 and 17(b)-525. The escrow agent of these regulatory escrow accounts is People’s United Bank.

Financial Statements

The Provider took over responsibility for the Community's operations on June 1, 2016 and therefore does not yet have financial statements for inclusion in this Disclosure Statement. The Provider's financial statements will be included in subsequent updates to this Disclosure Statement as they become available. The first such Disclosure Statement update will be issued in April 2017 and will provide audited financial statements for the period June 1, 2016 through December 31, 2016.

The prior provider's disclosure statements remain on file with the Connecticut Department of Social Services. As of June 1, 2016, the prior provider's disclosure filings included audited financial statements through the year ending December 31, 2015. The prior provider has also prepared unaudited financial statements for the period January 1, 2016 through May 31, 2016. These financial statements, and the prior provider's most recent Disclosure Statement with audited financial statements through December 31, 2015, are available for review at the Community.

Accounting Treatment: "Capital Lease"

Due to the nature of the long-term lease agreements referenced above, CT Watermark 3030, LLC's lease of the Community is expected to be deemed a "capital lease" under generally accepted accounting principles ("GAAP"). Accordingly, CT Watermark 3030, LLC's financial statements will be prepared on the basis that, for accounting and financial reporting purposes only, CT Watermark 3030, LLC is deemed to be the owner of the Community and its lease agreement which conveys its leasehold interest in the Community is deemed to be a financing instrument. The foregoing accounting treatment is common in conjunction with long-term net lease arrangements.

REGULATORY MATTERS

Department of Social Services Filings

CT Watermark 3030 Park, LLC is required to file certain materials annually with the Connecticut Department of Social Services. All such required materials have been filed, including but not limited to the materials contained in this Disclosure Statement. Additionally, the prior provider's financial statements, including a balance sheet, income statement, statement of cash flows and associated notes for the two most recent fiscal years are on file with the Connecticut Department of Social Services and are available for review, along with the prior provider's most recent Disclosure Statement, at the Community. A forward-looking statement showing the Community's projected cash flow along with a summary of the associated assumptions used in preparing such projections are included as Exhibit E to this Disclosure Statement. Information about The Watermark at 3030 Park which is on file with the Department of Social Services may be reviewed by contacting:

**The Department of Social Services
55 Farmington Avenue
Hartford, CT 06105-3724**

The Provider makes all the above information available for review by its residents by placing the material in the Community's library and, if requested, will also provide current residents with a complete copy of this Disclosure Statement. In addition, the Provider notifies each resident no later than June of each year of the resident's right to review its most recent annual filing with the Department of Social Services and to obtain a copy thereof.

Statement of Non-Affiliation

Neither Provider nor any of the entities in the organizational structure of Provider is a religious, charitable or nonprofit organization or is affiliated with any other religious, charitable or nonprofit organization.

Administrative Personnel and Employees

The Watermark at 3030 Park is administered by a staff of senior housing professionals. WRC employs and manages approximately 230 full-time and part-time individuals at the Community (some 140 full-time equivalent positions) who comprise the administration, housekeeping, maintenance, security, dining services, accounting, human resources, nursing and health services departments at the Community. The terms and conditions of such employees' employment are established by WRC, and include health, dental and retirement benefits. In

addition, certain services such as landscaping, snow removal, and other services, are performed or supplemented by outside specialists under third-party service contracts.

Judicial Matters

Neither Operator nor Manager, nor any officer or director thereof, has been convicted of a felony or pleaded nolo contendere to a felony charge, or has been held liable or enjoined in a civil action by final judgment, if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; nor is subject to a currently effective injunction or restrictive or remedial order of a court of record; nor within the past five (5) years has had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or health care, including but not limited to actions affecting the operation of a foster care facility, nursing home, retirement home, home for the aged, or any facility subject to sections 17b-520 to 17b-535 (inclusive) of the Connecticut General Statutes, or a similar statute in another state or country.

Additional Information

This Disclosure Statement has been prepared to give prospective residents, their families, and their advisors full information about the operation and management of The Watermark at 3030 Park. This Disclosure Statement was prepared on the basis of conditions in effect as of the date on the first page of the Disclosure Statement.



THE WATERMARK
AT 3030 PARK

Required Notice to Prospective Residents

Connecticut law requires that Provider to provide the Notice to prospective residents on the following page to each prospective resident with an acknowledgement that the prospective resident or his or her legal representative has reviewed the Notice. In addition, Connecticut law requires that Provider obtain a separate, signed Acknowledgement of Receipt from each prospective resident confirming receipt and review of this Disclosure Statement. The Notice to Prospective Residents and the Acknowledgement of Receipt are on the following two pages. Each prospective resident must sign and date the two forms before signing a Contract with Provider.



THE WATERMARK
AT 3030 PARK

Disclosure Statement

Notice to Prospective Residents

In accordance with Section 17b-522(a) of the Connecticut General Statutes, we are required to give this Notice to a prospective resident, or her/his legal representative, before she/he either (i) signs The Watermark at 3030 Park Continuing Care Contract, or (ii) transfers any money or other property to CT Watermark 3030, LLC, whichever is first to occur. Prospective residents of The Watermark at 3030 Park, or their legal representatives, should be aware of the following:

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

Acknowledgment:

I, or my legal representative, have received and reviewed a copy of this Notice and a copy of the Continuing Care Contract prior to entering into the Contract or the transfer of any money or other property to CT Watermark 3030, LLC.

Printed Name of Prospective Resident(s)

Signature of Prospective Resident

Date

Signature of Prospective Resident, if two

Date

Signature of Legal Representative, if applicable

Date



THE WATERMARK
AT 3030 PARK

Disclosure Statement Acknowledgement of Receipt

In accordance with Sections 17b-522(b) and (c) of the Connecticut General Statutes, CT Watermark 3030, LLC is required to deliver to a prospective resident, or her/his legal representative, a current Disclosure Statement not more than sixty (60) days nor less than ten (10) days before the execution of a Continuing Care Contract or the transfer of any money or other property to CT Watermark 3030, LLC, by or on behalf of the prospective resident. In addition, not more than sixty (60) days nor less than ten (10) days before a prospective resident actually occupies an apartment pursuant to the Contract, CT Watermark 3030, LLC must deliver a revised and up-to-date Disclosure Statement to the prospective resident or his or her legal representative, but if there have been no revisions to the Disclosure Statement previously furnished to the prospective resident as provided for in the immediately preceding sentence, CT Watermark 3030, LLC must deliver to that prospective resident or her/his legal representative a statement to that effect at the time of the apartment's occupancy.

Acknowledgment:

I, or my legal representative, do hereby acknowledge that I, or he or she, have reviewed the above and also have received and reviewed a copy of the current Disclosure Statement and a copy of the Continuing Care Contract for CT Watermark 3030, LLC, prior to the execution of the Contract or the transfer of any money or other property to CT Watermark 3030, LLC.

Printed Name of Prospective Resident(s)

Signature of Prospective Resident

Date

Signature of Prospective Resident, if two

Date

Signature of Legal Representative, if applicable

Date

Cross Reference to Statutory Provisions

Following is a cross-reference to certain provisions of Section 17b-522(b) of the Connecticut General Statutes. Certain information generally referred to below is required to be included in this Disclosure Statement and can be found on the pages referenced below:

<u>Applicable Statute</u>	<u>Location in</u>
<u>Subsection Reference</u>	<u>this document</u>
17b-552(b)	
(1) Name and Business Address of Provider.....	Page 6
(2) Names of Managers; Owners of 5% or more.....	Page 6
(3) Business Experience	Page 6
(4) Judicial Matters	Page 10
(5) Affiliations with Religious, Charitable, Non-Profit Organizations ...	Page 9
(6) Location and Description of the Physical Property	Page 1
(7) Goods and Services Provided	Exhibit A - Sect.5
(8) Treatment of Interest on Deposits.....	Page 17
(9) Termination of Contract.....	Exhibit A - Sect.8
(10) Rights of Surviving Spouse	Exhibit A - Sects.3,10,19
(11) Effects if Resident Gets Married.....	Exhibit A - Sect.15
(12) Disposition of Personal Property	Exhibit A - Sects.8,19
(13) Tax Consequences	Page 19
(14) Reserve Funding, Escrow Accounts	Page 17
(15) Financial Statements	Exhibit C
(17) Pro Forma (Projected) Annual Income Statements (3 years)	Exhibit E
(18) Historical and Current Entrance Fees and Periodic Charges	Exhibits F/G
(20) Department of Social Services Filings.....	Page 9
(21) Cover Page requirements	Cover
17b-552(f)	
Standard Form of Continuing Care Contract	Exhibits A/B
17b-521	
Sworn Statement of Escrow Agent	Exhibit D

OVERVIEW OF THE CONTINUING CARE CONTRACT

General Description

In most cases, a resident moving into our Town Center independent living neighborhood enters into a Continuing Care Contract (a “Contract”) with the Provider. The Contract provides the resident with the right to live in a specific apartment for as long as she or he is able to do so safely and independently in accordance with standards established by the Provider. The resident pays certain fees under the Contract, including a one-time “Entrance Fee” in conjunction with the resident’s initial move into the Community, and a “Monthly Service Fee” payable each month for as long as the resident remains in occupancy.

The amount of the Entrance Fee an incoming resident pays generally depends on three factors: the specific apartment unit selected by the resident (where variables include overall unit features, size, and location of the apartment), and the type of Continuing Care Contract chosen by the resident, and the Refund Plan chosen by the resident.

Depending on the Refund Plan selected, the resident or his or her estate may be entitled to a return of a portion of the Entrance Fee after the resident moves out of the Community (i.e., after the Contract is terminated) and the specific apartment unit is re-occupied by another resident. For Contracts entered into after October 1, 2015, Provider must pay the refundable portion of the Entrance Fee, if any, within three years of the date of Contract termination.

The amount of the Monthly Service Fee generally depends on the specific apartment unit in which the resident resides, for which the resident receives certain services such as periodic housekeeping, laundering of resident-provided bed/bath linens, continental breakfast, evening dinner, building maintenance, utilities, local telephone service, receptionist services, scheduled transportation, access to the Community’s common areas and amenities, 24-hour staffing and emergency response system, as described in the form of Contract attached as Exhibit A, and in the Resident Handbook which is available at the Community.

A Second Occupant Entrance Fee applies when a second person occupies an apartment. The Second Occupant Entrance Fee is non-refundable and is in addition to the Entrance Fee described elsewhere in this Disclosure Statement and the Continuing Care Contract.

The reason for offering alternative Contract types and Refund Plans is to allow residents to make selections that best suit their health care and financial needs and priorities. We encourage all prospective residents to consider these choices carefully and to consult advisors as they deem appropriate.

Following is a description of the alternative Contract types and alternative Refund Plans that we offer:

Continuing Care Contract Types

We offer a “Traditional” Contract and a “Life Care” Contract.

- ***The “Traditional” Contract.*** This form of Contract can be found in Exhibit A.

- ***The “Life Care” Contract.*** This form of Contract consists of a Traditional Contract and the Life Care Addendum, which can be found in Exhibit B of this Disclosure Statement. The Life Care Contract conveys a “Health Care Benefit” under which, if the resident needs to permanently relocate to the Health Center in the future, the resident continues to pay as base level charges the same Monthly Service Fee as the resident would be paying in her or his Town Center apartment, with certain limitations and exceptions as outlined therein. This is in lieu of paying the base monthly or daily charges then in effect that would otherwise be payable by a resident in the Health Center. Life Care program benefits are further described later in this section.

Entrance Fee Refund Plans

We offer three (3) entrance fee refund plans. This choice determines if and when a portion of the entrance fee may become refundable by the Provider to the resident or successor in the future. Alternative entrance fee refund plans include “Fixed Percentage” refund plans whereby either 50% or 85% of the entrance fee is refundable in the future upon the satisfaction of certain conditions, and a “Declining” refund plan whereby the refundable portion of the entrance fee declines over time and the entrance fee eventually becomes entirely non-refundable. The table below provides a summary of these choices:

<u>Contract Type:</u>	<u>Refundable Portion of Your Entrance Fee*:</u>
1. 85% Refundable:	Your refund will be 85% of your Entrance Fee.
2. 50% Refundable:	Your refund will be 50% of your Entrance Fee.
3. Declining Refund:	The refundable portion of your Entrance Fee declines over time during your residency at the Community. It begins at 90% refundable at the end of your first full or partial calendar month of occupancy, and declines by 2% per month thereafter, becoming fully non-refundable after 46 months.
	*Note: Entrance fees are fully refundable prior to expiration of the applicable statutory rescission period.

Provisions Common to All Contracts

All Contracts have provisions that are materially the same except in connection with the resident's section of (1) the specific Apartment, (2) the Refund Plan, and (3) the Contract type. Those selections will determine the Entrance Fee, the Monthly Service Fee, the Entrance Fee Refund, and the Health Care Benefit.

Contract Signing; Deposit; Grace Period, Escrow Account

When one decides to become a resident of the Community, an apartment is selected and a Contract is signed at which time a deposit is paid equal to ten percent (10%) of the Entrance Fee. The balance of the Entrance Fee is due in full upon the later to occur of (1) the expiration of the Grace Period, or (2) the date the apartment is ready for occupancy or such other date as was established and agreed in the Contract.

The Contract contains a grace period ("Grace Period") until the date that is thirty (30) days after the date that the Contract is signed, or such other (later) date as may be established and agreed in the Contract. During the Grace Period, the prospective resident may cancel the Contract in which case Provider will refund the Entrance Fee or portion thereof paid by the prospective resident, less an administrative fee not to exceed the greater of one percent (1%) of the Entrance Fee or One Thousand Dollars (\$1,000).

Any monies paid by the prospective resident on account of the Entrance Fee are held by People's United Bank, as escrow agent, in an Entrance Fee escrow account until the expiration of the Grace Period. After the expiration of the Grace Period, such funds are released to the Provider. Interest earned on the portion of the Entrance Fee and other deposits held in the Entrance Fee escrow account shall be retained by the Provider.

In order to rescind or cancel the Contract, the prospective resident or their legal representative must send notification in writing to the Provider at the address listed below by registered or certified mail in accordance with the notice periods stated in the Contract.

The Watermark at 3030 Park
Attention: Executive Director
3030 Park Avenue
Bridgeport, CT 06604

Monthly Service Fee

The Monthly Service Fee for the first month of occupancy is due at the same time that the balance of the Entrance Fee is due, even if the resident has not yet moved into the Community, or such other date as may be established and agreed to in the Contract. If the first month of occupancy is a partial calendar month, the Monthly Service Fee payable for such month will be prorated accordingly. If the Monthly Service Fee for any month is not paid when due, the Community may collect a late fee, as set forth in the Contract, until the Monthly Service Fee and all late fees are fully paid.

The Contract will set forth the Monthly Service Fee in effect at the time the Contract is signed and the Provider may increase the Monthly Service Fees after giving residents thirty (30) days advance written notice. The Monthly Service Fee is higher when there is also a second resident living in the apartment. Exhibit E contains historical Monthly Service Fee data, and the current Monthly Service Fees are shown in Exhibit F.

Life Care Program Benefits

The Life Care Contract conveys a “Health Care Benefit” under which, if the resident needs to relocate permanently to The Inn, The Gardens, or The Springs in the future, the resident continues to pay as base level charges the same Monthly Service Fee as the resident would be paying in her or his Town Center apartment, with certain limitations and exceptions as outlined therein. This is in lieu of paying the base monthly or daily charges then in effect that would otherwise be payable by a resident in the Health Center.

In addition to the Monthly Service Fee, a resident who transfers to The Inn, The Gardens or The Springs must also pay extra charges, including but not limited to the following:

1. A “Meal and Miscellaneous Charge,” which covers two additional meals and two snacks per day, referral services and wellness education. The current amount of the Meal and Miscellaneous Charge is set forth in Exhibit B of the Continuing Care Contract (“Schedule of Additional Fees”).
2. Charges related to the resident selecting an apartment or suite at the Health Center that is larger than the standard size as described in the Contract. The standard size accommodation is a studio apartment in The Inn, a semi-private suite in The Gardens, or a private room in The Springs.
3. Charges for any medical services and supplies that the resident requires, including but not limited to, physician services, physical therapy, and medications as well as additional services that the resident may request; and/or

4. Tier Charges for care at The Inn or The Gardens: Charges for assisted living and/or memory care services in excess of the “Base Tier” as outlined in Exhibit B of the Continuing Care Contract. The charge amount for such additional services is based on the level (or “Tier”) of additional health care services that the resident requires, which shall be determined based on a functional assessment of the resident. There are several Tiers of additional services, ranging from Tier One (minimal level of additional services required) up to a maximum level of additional services required. The current charge amounts for each Tier are outlined in Exhibit B of the Continuing Care Contract (“Schedule of Additional Fees”).

The Provider may modify the extra charges and services provided and offer new or different tiered pricing or other pricing programs at any time upon thirty (30) days prior written notice to the resident.

The resident is eligible for the Health Care Benefit immediately upon move in to the Community and remains eligible until the resident permanently leaves the Community. If there are two Town Center residents under a Life Care Contract and only one resident transfers to The Inn, The Gardens or The Springs permanently, the non-transferring resident continues to pay the first occupant Monthly Service Fee and the transferring resident continues to pay the second occupant Monthly Service Fee.

Cancellation by Provider

The Contract identifies conditions under which the Provider may terminate the Contract. In the event that a situation arises which requires that the Provider terminate a resident’s Contract, the resident or the designated representative will be notified by the appropriate representative of the Provider during a personal conference in which grounds for the termination will be discussed. No other members of the resident population will be involved in this or any other similar personal matter. The Provider’s decisions are final.

Note Regarding Continuing Care Contracts

Prospective residents are urged to review the details of their Contract very carefully before signing it. The Contract contains, among other things, the definitive terms concerning termination rights, rights of a surviving spouse, the effect of a resident's marriage or remarriage, the policy regarding disposition of a resident’s personal property in the event of death or transfer to a health care center, rights to use of the apartment, provisions governing reimbursement of the Entrance Fee, and services to be provided to a resident. The Contract is available in larger type upon request.

Tax Consequences

Please note that payment of an Entrance Fee or other transfer of assets pursuant to a Continuing Care Contract may have significant tax consequences and that prospective residents are urged to consult a qualified advisor.



THE WATERMARK
AT 3030 PARK

Disclosure Statement
Exhibit A

Continuing Care Contract

Residency Agreement



THE WATERMARK
A T 3 0 3 0 P A R K

Continuing Care Contract

The following indicates whether this contract is intended to be a
Traditional Contract or a Life Care Contract:

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EXHIBITS

- A. SCHEDULE OF CERTAIN CONTRACT TERMS AND FEES
- B. SCHEDULE OF ADDITIONAL FEES
- C. RESIDENT'S BILL OF RIGHTS

1. THE CONTRACT

This is a Continuing Care Contract (herein referred to as this “**Contract**”) between **CT Watermark 3030, LLC**, a Delaware limited liability company, and _____ (the “**Resident**” or “**Residents**”). The effective date of this Contract is _____ (the “**Effective Date**”).

RECITALS

A. Watermark operates a continuing care retirement community known as “The Watermark at 3030 Park” through which Watermark agrees to furnish or cause to be furnished a residence and other services to the Resident;

B. Resident has applied for admission to occupy a residence and to receive such other services; and

C. Watermark has reviewed and accepted Resident’s application subject to the execution of this Contract.

D. This Contract is not a lease and does not create any interest in the real estate and property owned by Watermark and the right of use thereof shall not inure to the use or benefit of the heirs, next of kin, assignees or representatives of Resident or of Resident's estate.

In consideration of the mutual promises contained in this Contract, and intending to be legally bound, Watermark and Resident agree as follows:

2. THE PARTIES TO THIS CONTRACT

The parties to this Contract are:

2.1 CT Watermark 3030, LLC, a Delaware limited liability company. It may assign the obligations under this Contract to another entity or may authorize another entity to act for it in performing its duties under this Contract. In this Contract, the term “**Watermark**” refers to CT Watermark 3030, LLC or any such assignee or authorized person.

2.2 The Resident. You are the other party to this Contract. In this Contract, you will be called the “**Resident.**” The words “**you**” and “**your**” will also refer to you. If this Contract is signed by two persons, the words “**Resident,**” “**you,**” and “**your**” will refer to each person who signs this Contract. If one of you dies, these words will refer to the one who survives.

3. THE RESIDENCE

3.1 Residence.

(i) Watermark operates The Watermark at 3030 Park which includes an independent living apartment building and cottages (such components referred to herein as the “**Town Center**”) as well as a health care building (the “**Health Center**”) containing designated areas for assisted living care (the “**Inn**”), memory care (the “**Gardens**”) and skilled nursing care (the “**Springs**”), all located on a campus at 3030 Park Avenue, Bridgeport, Connecticut. The entire campus will be referred herein as the “**Community**.”

(ii) Watermark will provide you with an apartment or cottage at the Town Center. In this Contract, this apartment or cottage will be referred to as your “**Residence**.” Your Residence is designated on Exhibit A. Your Residence will be for your own personal use and occupancy only.

3.2 Substitution of Residence.

Watermark reserves the right to substitute your Residence with another comparable residence at the Town Center, at no additional expense to you, if it is necessary to meet any requirement of law or the lawful order or direction of the Fire Marshal or another authorized public official, or for any other reasonable purpose, as determined by Watermark in writing. A comparable residence means a residence that has the same number of bedrooms and bathrooms and that is approximately the same size as your Residence. Effective the date the occupancy transfers to the substituted residence, the substituted residence will be your Residence as defined in this Contract and shall be subject to all the same terms and conditions.

3.3 Date of Occupancy.

You may move into your Residence on the date indicated on Exhibit A. In this Contract, this date will be referred to as the “Date of Occupancy,” which is the date the Residence will be ready for your occupancy, even if you are not ready to move into the Residence. You may continue to occupy your Residence for the remainder of your lifetime, unless (i) this Contract is earlier cancelled in accordance with Section 8 hereof, (ii) you are relocated to another comparable residence pursuant to this Section 3, (iii) you permanently move to a higher level of care located at the Community pursuant to Section 17 hereof, or (iv) you are removed from your Residence pursuant to Section 18 hereof. If this Contract is signed by two persons, occupancy of your Residence may continue for the remainder of the lifetime of the last surviving of the two of you, unless this Contract is earlier cancelled or the other conditions outlined above apply to both of you.

4. THE ENTRANCE FEE

4.1 You must pay an Entrance Fee (the “Entrance Fee”) in the amount indicated on Exhibit A. Your payment of the Entrance Fee entitles you to the use of your Residence and to the other services described in this Contract. Your Entrance Fee is payable as follows:

4.2 Down Payment (10%).

Watermark requires a down payment (the “Down Payment”) of ten percent (10%) of the Entrance Fee. You must pay the Down Payment at the time you sign this Contract. Once the Down Payment has been fully paid, the remaining amount of the Entrance Fee must be paid in full on the Date of Occupancy, even if you do not actually move into your Residence on that date.

4.3 Balance of Entrance Fee (90%).

You must pay the remaining amount of the Entrance Fee (the “Entrance Fee Balance”) in full on the Date of Occupancy even if you do not actually move into your Residence on that date.

5. RESIDENT SERVICES AND FEES

5.1 Service Fees.

Watermark provides services for which it charges a monthly service fee (the “**Monthly Service Fee**”). Watermark also provides or makes available certain additional items and services to residents who want or require such items and services, for which Watermark charges additional fees (“**Additional Fees**”). The Additional Fees in effect as of the Effective Date are outlined in Exhibit B of this Contract (“**Schedule of Additional Fees**”). Exhibit B also indicates the schedule of additional items and services, if any, that you have requested be furnished to you upon your initial occupancy, which schedule may be updated and revised from time to time. Watermark may change the nature and scope of additional services offered and/or increase the Additional Fees and revise the Schedule of Additional Fees from time to time by providing residents of the Community thirty (30) days prior written notice thereof.

5.2 Resident Services.

This Section describes in general the services that are available at the Town Center. Watermark has published a Resident’s Handbook which contains rules and policies for the specific use of these services and which may change from time to time, provided, however, the Resident Handbook shall not modify the specific rights provided to you under this Contract (as modified from time to time, the “**Resident Handbook**”).

5.2.1 Meals. Watermark will make available to you the number of meals outlined on Exhibit A attached hereto. Your meals will be served at a location(s) as established in the Resident Handbook.

5.2.2 Nursing Care and Assistance with Daily Living.

(i) You will have preferential admission status at the designated assisted living area (the “Inn”), memory care area (the “Gardens”), or nursing care area (the “Springs”) located at the Community.

(ii) If this Contract is a Traditional Contract, then (a) you will be responsible for paying all of your costs and expenses associated with your stays at the Inn, the Gardens and the Springs (such costs and expenses referred to as your “Health Care Costs”), and (b) any Health Care Costs are in addition to your Monthly Service Fees, until such time as (1) this Contract is cancelled in accordance with Section 8, or (2) you permanently move to a higher level of care at the Community as outlined in Section 17. If your Residence is occupied by two persons, and one of you moves permanently to a higher level of care, the remaining Resident must continue to pay the Monthly Service Fee for single occupancy.

(iii) If this Contract is a Life Care Contract, you will be entitled to certain health care services as outlined in the separate Life Care Addendum to this Contract that you must sign, as set forth in Section 7.

(iv) Watermark operates as a managed residential community and is also licensed as an assisted living services agency (“ALSA”) by the Connecticut Department of Public Health. Under such license, Watermark can offer assistance with daily living activities, including assistance with bathing, dressing, medication pre-pouring and daily administration of medications (the “ALSA Services”) to the extent you require such assistance. You have the right to receive ALSA Services in your Residence. The fees for the ALSA Services are not included in the Monthly Service Fee. Such fees shall be posted and are subject to change from time to time upon at least thirty (30) days prior notice.

5.2.3 Housekeeping Services. Your Residence will receive certain housekeeping services at no additional charge as set forth in the Resident Handbook. For additional services you will be charged on a monthly basis as outlined in Exhibit B.

5.2.4 Utilities. Watermark will provide you with standard utilities, such as light, heat, air- conditioning, water and local telephone service, the cost of which is included in your Monthly Service Fee. Other service charges are outlined on Exhibit B.

5.2.5 Community Facilities. You are entitled to use all of the community and recreational facilities at the Town Center as set forth in the Resident Handbook. The programs and facilities of the Town Center may be changed from time to time at the discretion of Watermark.

5.2.6 Parking; Operation of a Motor Vehicle. You may rent a garage space, if available, for an additional fee as outlined in Exhibit B. In order to park or operate a motor vehicle on the premises of the Town Center, you must maintain automobile liability insurance with your own insurance agent to cover liability and medical expenses arising from injuries to yourself or others. Your use of any motor vehicle, electric cart or power operated vehicle is subject to the rules and policies of Watermark, including but not limited to, speed limits and safe driving procedures

and practices. Watermark reserves the right to revoke your operating and parking privileges on the premises of the Town Center if you do not abide by the applicable rules, regulations, policies, and procedures.

5.2.7 Pets. Pets are allowed at the Town Center, subject to approval by Watermark and the payment of a non-refundable pet fee as set forth on Exhibit B. Watermark reserves the right to rescind approval of your pet if Watermark determines that the pet constitutes a nuisance or danger to others, or threatens the quiet enjoyment of the other residents of the Community.

6. MONTHLY SERVICE FEE

6.1 Your Monthly Service Fee shall be payable by you to Watermark in advance at the beginning of each month until this Contract is cancelled as outlined in Section 8. The Monthly Service Fee for your first month of occupancy shall be due on the Date of Occupancy identified in Exhibit A. The Monthly Service Fee for the first month will be prorated to reflect the number of days of your occupancy during that month.

6.2 Your Monthly Service Fee (including your Monthly Second Person Fee if applicable) is listed on Exhibit A. Watermark has the right to increase the Monthly Service Fee in its sole discretion. However, Watermark will give you thirty (30) days' notice in writing before it does so.

6.3 Your Monthly Service Fee shall be due each month for so long as this Contract is in effect regardless of whether you are in residence.

6.4 Payment of Monthly Services Fees shall be made via ACH withdrawal, subject to your ACH set-up authorization. If you choose not to authorize ACH payments, Watermark reserves the right to charge a monthly ACH non-participation fee as set forth on Exhibit B.

6.5 If the Monthly Service Fee for any month is not paid when due, Watermark may collect a late fee until the Monthly Service Fee and all late fees are fully paid. The late fee is outlined on Exhibit A, and shall not exceed the maximum late fee and rate of interest as allowed by applicable federal and state law.

7. LIFE CARE ADDENDUM

If you have chosen a Life Care Contract, you must sign the attached Life Care Addendum to Continuing Care Contract ("Life Care Addendum") on the same day that you sign this Contract. The Life Care Addendum outlines the health care services that you will receive and related terms and conditions of the Life Care Contract.

8. CANCELLATION OF THIS CONTRACT

8.1 Reasons for Cancellation.

You may provide notice of cancellation of this Contract at any time for any reason. To do so, you must give written notice to Watermark, and the effective date of cancellation will be thirty (30) days following the date of such notice. Watermark may cancel this Contract (i) as set forth in Section 11.1 prior to your Date of Occupancy, or (ii) at any time for ‘good cause,’ in which case Watermark must give written notice to you. Watermark will have ‘good cause’ to cancel this Contract for any one of the following reasons:

8.1.1 If you give any incorrect information to Watermark, or fail to give any necessary information, or if you mislead Watermark. This reason will apply to any statements or information that you give to Watermark, or that a family member or representative of yours gives to Watermark on your behalf;

8.1.2 If it is determined, pursuant to Section 18, that (A) your physical or mental condition, or your conduct, is such as to jeopardize your health, well-being or safety, or the peace and welfare of others, or (B) you are no longer able to accomplish the activities of daily living, such as dressing, bathing and getting about in a safe and independent way, and you have either refused or otherwise failed to obtain assisted living services after five (5) business days written notice from Watermark or you require or a higher level of care than such assisted living services can provide; or

8.1.3 If you fail, neglect or refuse to abide by the terms of this Contract or rules and policies published by Watermark, including if you fail to pay a Monthly Service Fee when due, subject, however, to the provisions of Section 12 regarding financial hardship.

8.2 Vacating Your Residence.

You agree to vacate your Residence within sixty (60) days after you have received a notice of cancellation of this Contract from Watermark. You also agree to vacate your Residence within sixty (60) days after you give notice of cancellation to Watermark. The Monthly Service Fee must be paid for the sixty (60) days following Watermark’s receipt of your notice of cancellation. When you vacate or abandon your Residence, Watermark may go into the Residence without notice to you, and may remove all your property and belongings. Watermark may, at its option, take possession of such property and declare it to be the property of Watermark or, at your expense, dispose of it in such a manner and for such consideration as Watermark, in its sole discretion, deems appropriate, including storing and/or selling or otherwise disposing of such property. After that, Watermark may use your Residence for any purpose, subject to Watermark’s obligation to use commercially reasonable efforts to re-occupy your Residence as set forth in Section 9.7.

9. REFUND POLICY

9.1 Refund.

Depending on when this Contract is cancelled, you may be entitled to a refund of part of your Entrance Fee as indicated on Exhibit A and as provided for hereafter. The Entrance Fee as described in this Section 9 does not include any entrance fees related to a second occupant. Second occupant entrance fees are non-refundable with the exception of the conditions described in Sections 9.2 and 9.4. Watermark may deduct charges set forth in Section 9.3 below from any refund that may be owed to you.

9.2 Grace Period.

The thirty (30) day period after you sign this Contract will be referred to as the “Grace Period.” Nothing in this Contract requires that you move into your Residence before the end of the Grace Period. You may cancel this Contract at any time during the Grace Period (i.e., within thirty (30) days after you sign it). In order to cancel this Contract, you must send notice thereof to Watermark before the end of the Grace Period. Watermark will then refund to you the money that you paid toward the Entrance Fee, subject to Watermark’s right to deduct charges set forth in Section 9.3 below. If this Contract is cancelled in accordance with this paragraph because you have died, the refund will be made to your estate. Watermark may also cancel this Contract as set forth in Section 11.1 at any time prior to your Date of Occupancy, in which case any money that you paid toward the Entrance Fee will be similarly refunded.

9.3 Administrative Fee.

Watermark reserves the right to deduct a reasonable administrative and processing fee (an “**Administrative Fee**”) from your refund in an amount not to exceed one percent (1%) of the Entrance Fee set forth on Exhibit A. Watermark may also deduct the amount of any expenses and costs incurred by Watermark as a result of your written request(s), including, as an example, upgrades to your Residence made or commenced at your written request and not yet amortized in accordance generally accepted accounting principles.

9.4 Cancellation After The Grace Period and Before the Date of Occupancy.

If after the Grace Period, but prior to your Date of Occupancy (as defined), (a) you die, or (b) on account of illness, injury or incapacity, you are unable to occupy your Residence, and you or your legal representative sends notice to Watermark requesting cancellation and stating that one of the foregoing conditions (a) or (b) exists, then subject to the next sentence this Contract will be cancelled and you will receive a refund of any money you paid toward the Entrance Fee, subject to Watermark’s right to deduct charges set forth in Section 9.3 above. Watermark reserves the right to request a written evidentiary statement from your physician if the requested cancellation is on account of illness, injury, or incapacity, and if requested, such statement shall be a condition of cancellation. If this Contract is cancelled in accordance with this paragraph because you have died, the refund will be made to your estate. Watermark may also cancel this Contract as set forth in

Section 11.1 at any time prior to your Date of Occupancy, in which case any money that you paid toward the Entrance Fee will be similarly refunded.

9.5 Cancellation After The Grace Period and After the Date of Occupancy.

9.5.1 You may cancel this Contract at any time after the Grace Period ends by providing notice of cancellation to Watermark. Watermark may cancel this Contract for ‘good cause’ at any time after the Grace Period ends by providing notice of cancellation to you. In either case this Contract will terminate on the thirtieth (30th) day after the aforementioned notice is received.

9.5.2 Any applicable Entrance Fee Refund will be paid as set forth in Section 9.7 below and will be calculated based on the refund plan selected in Exhibit A, subject to Watermark’s right to deduct charges set forth in Section 9.3 above. Your refund plan is one of the following:

(i) 85% Refundable Plan.

If this is the refund plan you selected, you will be eligible for an Entrance Fee Refund of 85% (eighty-five percent) of the amount of the Entrance Fee.

(ii) 50% Refundable Plan.

If this is the refund plan you selected, you will be eligible for an Entrance Fee Refund of 50% (fifty percent) of the amount of the Entrance Fee.

(iii) Declining Refund Plan.

If this is the refund plan you selected, you will be eligible for an Entrance Fee Refund that declines to a zero balance over approximately forty-six (46) months following your Date of Occupancy. Specifically, the eligible refund declines to ninety percent (90%) of the amount of the Entrance Fee at the end of the calendar month in which the Date of Occupancy occurs, and then declines by an additional two percent (2%) of the amount of the Entrance Fee each month thereafter. The foregoing is determined based on the effective date of cancellation of your Contract.

9.5.3 Watermark may deduct from your refund any outstanding and unpaid balance due on your account, including, without limitation, any unpaid Monthly Service Fees and Additional Fees.

9.6 Death of a Resident.

If you die after the end of the Grace Period and after the Date of Occupancy, this Contract will be cancelled. If there are two persons signing this Contract, death of a Resident refers to the death of the last surviving person. If the Residence is vacated within thirty (30) days following the date of death, your estate is only responsible for the Monthly Service Fee for that thirty (30) days. However, the Monthly Service Fee must be paid for any month in which your property and belongings remain in your Residence beyond that thirty (30) day period. If this Contract is

cancelled because of your death, you or your estate may be entitled to a refund. Once the Residence is completely vacated, you or your estate may be entitled to a refund computed in accordance with Section 9.5 and paid in accordance with Section 9.7.

9.7 Payment of Refund.

9.7.1 A refund due to you as a result of your cancellation of this Contract in accordance with Sections 9.2 or 9.4 above will be made by Watermark or by the escrow agent (“Escrow Agent”) from the entrance fee escrow account established in accordance with Connecticut law (the “Entrance Fee Escrow Account”). If paid by the escrow agent, such refund will be paid in accordance with the terms of an entrance fee escrow agreement which complies with the requirements of Connecticut law (the “Entrance Fee Escrow Agreement”), which for that purpose will be considered as part of this Contract.

9.7.2 For all other refunds, Watermark will pay your refund thirty (30) days after the earlier to occur of (A) the date your Residence has been occupied by someone else and you are no longer residing in any level of care offered at the Community, or (B) the expiration of three (3) years from the date of cancellation of this Contract. Neither you nor your estate may claim payment of any refund until the latter of the two events in (A) has occurred, unless three (3) years have expired as set forth in (B). Watermark will make commercially reasonable efforts to find a new occupant for your Residence, or if Watermark notifies you in writing of its election not to pursue a new occupant for your Residence, Watermark will pay any refund due to you as if your Residence became occupied by someone else at the time of such election. If you owe any money to Watermark after this Contract is cancelled, Watermark may deduct the amount that you owe from the refund that will be paid to you. If Watermark fails to pay any refund due to you as described in this Section, Watermark will pay interest on the amount due to you at the rate of one percent (1%) per month on all unpaid amounts.

10. YOUR RIGHTS UNDER THIS CONTRACT

10.1 The rights given to you under this Contract belong to you alone. When this Contract is cancelled, whether by your death or by notice of cancellation, all of your rights and interest in this Contract will come to an end, except for the right to receive a refund that may be payable to you, if applicable. No right or interest of any kind will go to your heirs or your representatives, except for the right to receive a refund, if applicable, pursuant to the terms of this Contract. You may not assign any of your rights under this Contract to anyone else.

10.2 You may come and go from the Community as you wish. However, you must pay the Monthly Service Fee even while you are away from the Community.

10.3 If two persons sign this Contract, neither of you may unilaterally cancel this Contract as long as the other one is still living. You may only cancel this Contract if you act together. If one of you leaves your Residence, or must be removed from your Residence, the right

to occupancy that the other one has will not be changed. Neither one of you is able to divide your Residence, or to force the removal of the other.

10.4 You cannot assign any right you have to use your Residence to another person. You cannot sublet your Residence. You cannot pledge, mortgage or use this Contract or your Residence for security. No one to whom you owe money, or who has some other claim against you, may make any claim, lien or attachment against this Contract or your Residence.

10.5 Watermark has the sole right to decide who is eligible for admission to or residency in any areas within the Community.

10.6 Additional rights are outlined in Exhibit C of this Contract.

11. RESIDENT ACCEPTANCE POLICY

11.1 Pre-Admission. Watermark will require (i) a report from your personal physician about your medical history and (ii) certain financial information at least thirty (30) days prior to your Date of Occupancy. This confidential information will be reviewed by a representative of Watermark in accordance with established acceptance policies. Special considerations of cases not meeting all of the admission criteria will be referred to the Watermark Executive Director for consideration and action. Watermark will make a final decision on your admission in its sole and absolute discretion, and Watermark reserves the right to cancel this Contract prior to the Date of Occupancy if it determines that you do not qualify for admission. .

11.2 Non-Financial Requirements. To be accepted for residency, you must be 62 years of age or more at the time of establishing residency, except where more than one Resident occupies a Residence, in which case at least one must be 62 years of age or more at the time of establishing residency, and you must be able to meet the requirements of occupancy.

11.3 Financial Requirements. To be accepted for residency, you must meet the following financial requirements: (1) have financial assets adequate to pay the contracted Entrance Fee, plus an amount sufficient to provide for the Resident's personal financial requirements after residency; (2) have sufficient income to meet the anticipated Monthly Service Fee and any other applicable fees for items and services not covered by the Monthly Service Fee; (3) have coverage under Medicare parts A and B (basic and supplemental coverage) if eligible, and one supplementary health insurance policy. Parts of this subsection may be waived or modified for certain people such as retired Civil Service employees and those with comparable coverage with a Health Maintenance Organization or other private insurance.

12. YOUR PROMISES TO WATERMARK

12.1 Information. By signing this Contract, you promise that all the information that appears on your application and all other information that you have given and will give to Watermark is true, complete and correct. In addition, you agree to comply with future requests for

medical information Watermark may require as set forth in Section 25. Watermark reserves the right to require you, upon request, to update the financial information disclosed to Watermark in your application.

12.2 Government Benefits. It is possible that benefits will be available to you under state or federal law to pay for medical services that you receive; for example, from the program known as “Medicare.” You agree to do whatever is reasonable, including submitting forms or taking other action, which will help to make payment of doctor bills, hospital bills, bills for extended care, and bills for other services, including reimbursement to Watermark for bills paid by it, from these programs. Hospital, medical or similar services for which such benefits are paid by state or federal programs are not part of the services provided by Watermark. Nothing in this Section shall be interpreted to mean that Watermark has any obligation to provide or pay for hospital, medical or similar services.

12.3 Damage. You are responsible for any damage that you may cause to the Community or its furnishings, equipment or property, except for ordinary wear and tear. You must not do, or cause to be done, any act which would violate the Fire Code or Health Code. This includes no excessive clutter in your Residence. Watermark may take immediate action to correct any violations of the Fire Code or Health Code. You must pay the cost of correcting such violations.

12.4 Indemnity. Watermark has the right to make a claim against you, against your estate, or against any person who is legally liable for your support, for any money that you owe to Watermark. Watermark will also have the right to make such a claim for any damage and for reimbursement for the cost of any repair or redecoration which may be necessary for your Residence because of your use, with the exception of ordinary wear and tear.

13. FINANCIAL HARDSHIP

There may come a time when you are unable to pay all or part of your Monthly Service Fee because of your own financial hardship. Watermark will make reasonable efforts to help you find the means for payment, by applications for state or federal aid, the Community’s Grant-In-Aid Fund (which is administered by the Residents’ Council), or other prospective sources of financial assistance. Watermark expects that you will cooperate in these efforts in any way that you can. While these attempts are being made, Watermark will continue to provide its services to you under this Contract for a period of thirty (30) days. If you do not apply for, diligently seek and obtain such benefits, and if you are not able to resume payment of your Monthly Service Fee within the thirty (30) day period, Watermark has the right to cancel this Contract.

14. FURNISHINGS AND MAINTENANCE

14.1 Fixtures. Your Residence will have certain fixtures and installations provided by Watermark, which may include, without limitation, wall-to-wall carpeting, window blinds, kitchen appliances, and similar items. All installations are and shall remain the property of Watermark.

14.2 Alterations. You may make other alterations in your Residence at your own expense, provided, however, that all alternations must be requested by you in writing and approved by Watermark in writing, in advance and your making any alternations. Such alterations will belong to Watermark when you vacate your Residence. At Watermark’s request, you may be required to return your Residence to its original condition at your expense.

14.1 Painting. Watermark will repaint occupied Residences if and as a need is determined by Watermark.

15. JOINT OCCUPANCY AND/OR MARRIAGE

15.1 Resident/Non-Resident.

You may want a non-resident, who does not currently live at the Community, to occupy your Residence with you. You and the non-resident are required to apply to Watermark for admission of such non-resident to the Town Center and to provide Watermark with the same health, financial and other information as Watermark requires generally for new applicants desiring to live at the Town Center. Watermark may grant or withhold such admission in its sole discretion. If such admission is denied, then such non-resident may not reside in your Residence.

15.1.1 If Watermark grants admission to such non-resident to the Town Center, such person shall be considered a “New Resident.” If the New Resident intends to move into your Residence, this Contract will be cancelled and a new Continuing Care Contract (the “New Contract”) will be signed by you and the New Resident. A New Entrance Fee equal to your original Entrance Fee under this Contract and the then-prevailing second occupant entrance fee must be paid to Watermark prior to the New Resident’s Date of Occupancy. Watermark will also set a new Monthly Service Fee for you and the New Resident, which will include an additional second occupant monthly service fee (the “Second Occupant Monthly Service Fee”), as outlined on Exhibit A of the New Contract. The amount of a refund, if any, of your original Entrance Fee will be determined pursuant to Section 9.5 of this Contract. Any refund of your original Entrance Fee shall be applied to the New Entrance Fee. Any refund of the New Entrance Fee shall be determined by the New Contract.

15.1.2 If Watermark grants admission to the New Resident, and if you and the New Resident wish to move into a new Residence, this Contract will be cancelled and a New Contract will be signed by you and the New Resident. A New Entrance Fee equal to the then-prevailing Entrance Fee for the new Residence and the then-prevailing second occupant entrance fee must be paid to Watermark prior to the new Date of Occupancy. Watermark will also set a new Monthly Service Fee for you and the New Resident, which will include an additional Second Occupant Monthly Service Fee, as outlined on Exhibit A of the New Contract. The amount of a refund, if any, of your original Entrance Fee will be determined pursuant to Section 9.5 of this Contract. Any refund due on your original Entrance Fee shall be paid upon the re-occupancy of your original Residence by someone else. Watermark shall use commercially reasonable efforts to find a new occupant for your original Residence, or if Watermark elects not to pursue a new occupant for

your original Residence, Watermark will pay the refund due to you as if your Residence were re-occupied by someone else at the time of such election. Any refund of the New Entrance Fee shall be determined by the New Contract.

15.2 Resident/Resident.

You and another resident of the Community who occupies a separate residence at the Community and has a separate contract with Watermark may wish to move into one residence together. For purposes of this Section 15.2, the term “Resident” may also refer to such other resident as the context implies.

15.2.1 If you or the other Resident move into the current residence of one of you, the original contracts (including this Contract) of both Residents will be cancelled and a new contract (the “New Contract”) will be signed by you and the other Resident. A new entrance fee (“New Entrance Fee”) equal to the original entrance fee of the Resident who did not move and the then-prevailing second occupant entrance fee must be paid to Watermark prior to your joint occupancy. Watermark will also set a new Monthly Service Fee, which will include the Monthly Service Fee of the Resident who did not move, plus an additional Second Occupant Monthly Service Fee, as outlined on Exhibit A of the New Contract. The amount of a refund, if any, of your original Entrance Fee will be determined pursuant to Section 9.5 of this Contract. Any refund due under the non-moving Resident’s original contract shall be applied to the New Entrance Fee. Any refund which would become due under the moving Resident’s original contract shall be paid contingent upon the re-occupancy of such Resident’s vacated residence by someone else and otherwise in accordance with the terms of such Resident’s contract. Watermark will make commercially reasonable efforts to find a new occupant for your Residence, or if Watermark notifies you in writing of its election not to pursue a new occupant for your Residence, Watermark will pay any refund due to you as if your Residence became re-occupied by someone else at the time of such election. Any refund of the New Entrance Fee shall be determined by the New Contract.

15.2.2 If you and another Resident wish to move into a new Residence, the original Contracts of both Residents will be cancelled and a New Contract will be signed by you and the other Resident. A New Entrance Fee equal to the then-prevailing Entrance Fee for the new Residence and the then-prevailing second occupant entrance fee must be paid to Watermark prior to the new Date of Occupancy. Watermark will also set a new Monthly Service Fee, which will include an additional Second Occupant Monthly Service Fee, as outlined on Exhibit A of the New Contract. The amount of a refund, if any, of your original Entrance Fee will be determined pursuant to Section 9.5 of this Contract. Any refund of either Resident’s original Entrance Fee shall be paid upon the occupancy of such Resident’s Residence by someone else and otherwise in accordance with Section 9 hereof. Watermark will make commercially reasonable efforts to find a new occupant for your Residence, or if Watermark notifies you in writing of its election not to pursue a new occupant for your Residence, Watermark will pay any refund due to you as if your Residence

became occupied by someone else at the time of such election. Any refund of the New Entrance Fee shall be determined by the New Contract.

16. MOVING TO A NEW RESIDENCE UPON REQUEST OF RESIDENT

16.1 You may request to move from your Residence to a different residence. Watermark must approve this move. If the move is approved, this Contract will be cancelled and a New Contract will be signed. The effective date of the New Contract will be the date of the move.

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

16.3 If you elect to move to a different Residence, a New Entrance Fee equal to the then-prevailing Entrance Fee for the new Residence must be paid to Watermark prior to the New Date of Occupancy. Watermark will also set a new Monthly Service Fee, at the then-prevailing rate, as outlined on Exhibit A of the New Contract. The amount of a refund, if any, of your original Entrance Fee will be determined pursuant to Section 9.5 of this Contract. Any refund due on your Original Entrance Fee shall be paid upon the re-occupancy of your original Residence by someone else and otherwise in accordance with Section 9 hereof. Watermark will make commercially reasonable efforts to find a new occupant for your Residence, or if Watermark notifies you in writing of its election not to pursue a new occupant for your Residence, Watermark will pay any refund due to you as if your Residence became occupied by someone else at the time of such election. Any refund of the New Entrance Fee shall be determined by the New Contract.

17. PERMANENT RESIDENCE IN A HIGHER LEVEL OF CARE

17.1 Your physician, your family or your representative may recommend to Watermark that you need to reside in a residential care area providing continuous assisted living care, memory care or long-term nursing care (such areas referred to herein as a “higher level of care”) and that you will no longer occupy your Residence. Watermark must verify this recommendation with your physician. If the recommendation is verified, you must vacate your Residence.

17.2 If you permanently move into any higher level of care located at the Community, this Contract shall remain in effect and shall not change as a result of such relocation within the Community. If you permanently move into a higher level of care at a facility not located at the Community, then this Contract will be terminated, including, if this Contract is a Life Care Contract, termination of the Life Care Program Benefits set forth in Section 7 of this Contract, as amended.

17.2.1 When you become a permanent resident in any higher level of care located at the Community, Watermark may find another resident to re-occupy your Residence. Any refund due will be paid once you are no longer residing in any level of care at the Community and as described in Section 9 of this Contract.

17.2.2 If this Contract is a Traditional Contract and you become a permanent resident in any higher level of care located at the Community, you will at that time cease paying the Monthly Service Fee. You will be responsible for paying the applicable prevailing monthly and/or per diem rates in the applicable level of care at the Community, except when the applicable level of care at the Community accepts either private insurance or government reimbursement such as Medicare or Medicaid for its services and you are eligible for reimbursement pursuant to any such private insurance or governmental reimbursement program.

18. INVOLUNTARY REMOVAL

18.1 It may be determined that your physical or mental condition, or your conduct, is such as to jeopardize your health, well-being, or the safety, peace and welfare of others. It may also be determined that you have come to require, on a permanent basis, services which Watermark does not offer at the Community. It may also be determined that you are no longer able to accomplish the activities of daily living, such as dressing, bathing and getting about in a safe and independent way and you have either refused or otherwise failed to obtain assisted living services after five (5) business days written notice from Watermark or you require a higher level of care than assisted living services. Watermark will make these determinations in consultation with your physician, the appropriate specialists, your legal representative, if applicable, and/or you and representatives of your family, if reasonably available, and the Wellness Committee, as described in the Resident Handbook.

18.2 If it is determined that you can no longer continue to live at the Town Center or in any higher level of care in the Health Center located at the Community, Watermark will require you to vacate your Residence. Watermark will cooperate with you or your representative in finding a nursing home or other such facility, to the extent you request such assistance, but Watermark shall not be obligated to incur any expense related to such cooperation. Until you permanently vacate your Residence, you will be liable for the Monthly Service Fee during any period that you are absent from the Community.

19. DEATH OF A RESIDENT

19.1 Except for any refund that may be payable in accordance with this Contract, Watermark will have no obligation to you or your estate under this Contract after your death.

19.2 Two Persons. The Resident under this Contract may be two persons. The first such person who dies will no longer have any rights under this Contract, and his estate or heirs will not have any rights under this Contract. This Contract will continue for the survivor as if the survivor were the only person who had signed this Contract. If two persons who have signed this Contract die simultaneously, or if it is impossible to determine which one survived the other, refunds that might be due will be divided equally between the estates of both persons, unless they have previously written to Watermark and given a direction for some other treatment of the refund.

19.3 Burial Arrangements. Prior to the Date of Occupancy, you must show Watermark that you have made adequate provision for burial arrangements and for the disposition of your furniture and of your other property and belongings. Watermark will accept any written instructions about these matters that may be necessary or helpful to you to carry out your wishes in the event of your death. Your estate will have thirty (30) days after your death during which all of your property and belongings must be removed from the Community. During this period, your estate will be responsible for the Monthly Service Fee. After that, Watermark has the right to remove your property and belongings, and to store or dispose of them, at its sole discretion and at the expense of your estate. Proceeds from the sale of property and belongings will be first applied to Watermark's cost of coordinating the removal, storage and disposal of the property and the balance, if any, shall be contributed to the Community's grant-in-aid fund (the "Grant-in-Aid Fund") which is administered by the Residents' Council.

19.4 Advance Directives. If you have executed an advance directive or have designated another person as your health care agent, health care representative or attorney-in-fact, it is recommended that you provide a copy of such advance directive to Watermark, to be maintained in Watermark's files. It is also recommended that you provide any revisions or changes to your advance directive to Watermark upon the effective date of such revisions or changes. This provision will be subject to all the legal requirements that the State of Connecticut has with respect to advance directives.

20. INSPECTION/ACCESS TO YOUR RESIDENCE

20.1 Watermark may enter your Residence at any time in the case of emergency. Except in the event of an emergency, unauthorized persons may not enter your Residence unless you have signed a release form providing access.

20.2 Watermark and its agents, employees and contractors may enter your Residence during reasonable hours (or, in an emergency, at any hour) upon such notice as is required by law or as is determined to be reasonable in order to inspect, clean, repair or alter the Residence or perform services for you as Watermark deems necessary. Watermark may require you to eliminate any unsafe or unsanitary conditions.

21. SUBORDINATION

21.1 There may be mortgages and other obligations secured by the Community from time to time. Your rights under this Contract will be subordinate to those mortgages and obligations, and to any extension, modification, renewal or replacement of those mortgages and obligations. You agree to sign any subordination agreement that Watermark may request from you. If there is a foreclosure of a mortgage or other obligation on the Community, your right to use your Residence at the Community may be at risk of termination.

21.2 Notwithstanding the foregoing, the Entrance Fee Escrow Account which holds your Entrance Fee during the Grace Period shall not be subordinated to any other loans or obligations of Watermark or pledged as collateral, invested in any building or healthcare facility of any kind, used for capital contribution or improvements or for the purchase of real estate or removed from the State of Connecticut.

22. INSURANCE POLICY - NO LIABILITY OF WATERMARK

There is a possibility that at some time you may sustain a loss or damage of your personal property in your Residence without negligence by Watermark. Therefore, for your protection, you are required to purchase an insurance policy from your own insurance agent to cover your Residence as soon as you sign this Contract and annually thereafter. This policy will also include the appropriate coverage for any injury to another person within your Residence.

Watermark, its officers, agents and employees, will not be liable to you in any way for any loss or injury that you may suffer, or for any damage or theft of your property, unless such loss, injury or damage results from Watermark's negligence or willful misconduct. You will release Watermark from any claim for loss or injury to you or damage or theft to your property which resulted from your own action or from the actions of any third person other than Watermark or Watermark's officers, agents, and employees.

23. RULES AND POLICIES

Watermark has the right to make policies and rules for the operation of the Community, and to amend them from time to time in the sole discretion of Watermark, provided, however, these policies and rules shall not modify the specific rights provided to you under this Contract. These policies and rules may be included in the Resident Handbook and are binding upon you and must be faithfully observed by you.

24. PRIVATE EMPLOYEES

24.1 All outside caregivers, companions, aides, housekeepers, maintenance workers, sub-contractors and other personnel (“Private Employees”) hired directly by you, or contracted by you through any agency, including a licensed home health agency, to render services to you at the Community shall be subject to Watermark’s policies for employment of Private Employees.

24.2 You acknowledge that Watermark is not, and will not be, responsible for (i) the quality or quantity of any services rendered by Private Employees to you; (ii) claims made for breach of any obligation by you to provide compensation, workers’ compensation or other insurance; and (iii) claims related to the breach of any statutory or regulatory obligations respecting employment and the withholding and payment of income taxes. The provisions of this indemnification, including this paragraph, shall apply even if the Private Employees are employees of Watermark, its affiliates or its related parties, who are providing such services on their own time.

24.3 You acknowledge that this indemnification is given for the express benefit of Watermark, its affiliates and its related parties, and the officers, directors, employees, agents, and representatives of Watermark, its affiliates or its related parties, each of whom shall be indemnified pursuant to this Section.

25. ACCESS TO YOUR HEALTH INFORMATION

For purposes of determining your qualification for admission at the Town Center and your eligibility to remain in residence at the Town Center, you hereby consent that your pertinent health and wellness records will be furnished if and when requested by Watermark. You further consent that your attending physician or other health care provider shall furnish any additional information concerning your health or physical condition requested by Watermark. Watermark will keep all such records confidential unless disclosure of such records is required by law. When requesting access to your health information, Watermark shall comply with the Health Insurance Portability and Accountability Act (HIPAA), which regulations are codified at 45 C.F.R. Parts 160, 162 and 164, as such regulations may be amended from time to time, including without limitation, obtaining a HIPAA authorization from you, which you agree to sign, prior to accessing your health information.

26. COMPLIANCE

You will be afforded all rights and privileges under Conn. Gen. Stat. § 17b-520 et seq., which governs continuing care facilities, and all other applicable laws. The Community will comply with all municipal, state and federal laws and regulations including those related to consumer protection and protection from financial exploitation.

27. TIME OF THE ESSENCE

Time is of the essence with respect to the provisions of this Contract.

28. NOTICES

All notices provided for in this Agreement shall be in writing and mailed by registered or certified mail, postage prepaid or by express mail or recognized overnight courier, to the addresses listed below. Either party may change their address for notice purposes by providing notice to the other party of such change.

To the **RESIDENT**: As set forth in Exhibit A.

To **WATERMARK**: CT Watermark 3030, LLC
c/o Executive Director
The Watermark at 3030 Park
3030 Park Avenue
Bridgeport, CT 06604

29. THE ENTIRE CONTRACT

This Contract is the only agreement between you and Watermark. It replaces any written or verbal agreement that you may have had before. You agree that neither Watermark nor any representative of Watermark made any promise to you to induce you to sign this Contract.

30. DISCLOSURE STATEMENT AND RESIDENT HANDBOOK

You acknowledge that you received a Disclosure Statement and the Resident Handbook not more than sixty (60) days and not less than ten (10) days before the date of signing this Contract.

31. VALIDITY

If any provision of this contract shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this contract shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted in such case.

32. GOVERNING LAW

This Amendment shall be governed by and construed in accordance with the laws of the State of Connecticut.

By signing this Contract, you agree to all the terms that are contained in it.

[Signatures on Following Page]

CT WATERMARK 3030, LLC

By:

Its Authorized Agent (Executive Director)

Date

RESIDENT

Resident's Printed Name

Second Resident's Printed Name

Resident's Signature

Second Resident's Signature

Date

Date

Address

Address

City/State/Zip

City/State/Zip

Telephone Number

Telephone Number



THE WATERMARK
AT 3030 PARK

Exhibit A to Continuing Care Contract
Schedule of Certain Contract Information, Services, and Fees

Resident Name(s): _____

Apartment/Cottage: _____

Date of Occupancy: ____ / ____ / ____

Resident(s)' Notice Address: _____

Entrance Fees (Town Center)		
<u>Select Contract Type:</u> <input type="checkbox"/> Traditional Contract <input type="checkbox"/> Life Care Contract	<u>Select Refund Option:</u> <input type="checkbox"/> 85% Refundable <input type="checkbox"/> 50% Refundable <input type="checkbox"/> Declining	<u>Entrance Fee Amounts:</u> First Resident Entrance Fee: \$ _____ Second Resident Entrance Fee: \$ _____ Total Entrance Fee: \$ _____ 10% Deposit: \$ _____ Due date: _____ 90% Balance Due: \$ _____ Due date: _____
Non-refundable Second Occupant Entrance Fee: <input type="checkbox"/> Traditional Contract <input type="checkbox"/> Life Care Contract		

One-Time Fees	Town Center	Inn and Gardens
Non-refundable Community Fee	\$	\$
Non-refundable Pet Fee	\$	\$
Non-refundable Electric Cart Fee	\$	\$
Other:	\$	\$

Monthly Fees	Town Center	Inn and Gardens
Monthly Service Fee	\$	\$
Second Person Monthly Service Fee	\$	\$
Garage Parking	\$	\$
ALSA Services	\$	Not Applicable
Tier Level Charges	\$	\$
Other:	\$	\$
Total Monthly Fees	\$	\$

Resident Initials: _____



THE WATERMARK
AT 3030 PARK

***Exhibit A to Continuing Care Contract
Schedule of Certain Contract Information, Services, and Fees***

Additional Information

The monthly services and fees referenced herein may change from time to time based on your needs and your selections. Watermark shall have the right to add, delete and modify the services offered and associated fees at its sole discretion; provided however, Watermark shall give you at least thirty (30) days prior written notice of any such addition, deletion or modification.

Meals

The meals included in your Monthly Service Fee (as referenced in Section 5.2.1 of the Continuing Care Contract) include morning continental breakfast every day, evening dinner Monday through Saturday, and mid-day brunch on Sunday.

Cottage Credit. Cottage residents receive a four-hundred dollar (\$400.00) meal credit per month. Meals will be available at locations at the Community as established in the Resident Handbook. Up to one-hundred dollars (\$100.00) of the credit may be used per month at the salon/spa.

Away Credit. Residents away for fourteen (14) days or more are eligible for a credit if Watermark is notified in advance. For a single occupant, the credit is nine dollars (\$9.00) per day for each day away. For double occupancy, when both are away, the credit is eighteen dollars (\$18.00) per day.

Late Fees. If the Monthly Service Fee for any month is not paid by the tenth (10th) day of the month, Watermark shall impose a late charge of twenty-five dollars (\$25.00) on the eleventh (11th) day of the month in which the Monthly Service Fee is due and five dollars (\$5.00) for each day thereafter until the Monthly Service Fee and all late charges are fully paid. If your check is not honored, Watermark shall charge a twenty-five dollar (\$25.00) fee.

Resident Signature: _____ Date: ____ / ____ / ____

Resident Signature: _____ Date: ____ / ____ / ____

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Administration/Community Life		
Item or Service	Charge	Notes
Guest Suite <ul style="list-style-type: none"> • Single Occupancy • Double Occupancy • Rollaway Cot 	<ul style="list-style-type: none"> • \$140.00 per night • \$155.00 per night • \$15.00 per night 	Meal Card provided for two meals per day per person.
Faxes, sending and receiving	\$2.00 for first page; \$1.00 per additional page	See Front Desk
Copies – Black and White	\$0.25 per page	See Front Desk
Shredding Service	\$5.00 per envelope	See Front Desk
Postage	At cost	
Overnight Packages: FedEx, UPS, DHL	At cost	
Envelopes (standard sizes)	\$0.25 - \$1.00 each	
Storage space	No charge	One per apartment, subject to availability
Additional storage space	\$40.00 per month	<input type="checkbox"/> Add <input type="checkbox"/> Delete / /
Beauty/Barber services	Prices vary	See Beautician/Barber
Local Telephone Service	Included	
Long Distance Call	Based on Usage	
Basic Cable	\$55.00 per month	Included in base rate in 2 North, Inn, Gardens, and Springs

ACH. Watermark utilizes an ACH (Automated Clearing House) service for the processing of Monthly Service Fee payments and requests all Residents to provide written authorization to their bank to allow participation in the service. This service conveniently processes a monthly authorized electronic payment from the Resident's bank account between the 6th and 9th day of the month.

Away Credit. Residents away for fourteen (14) days or more are eligible for a credit if Watermark is notified in advance. For a single occupant, the credit is nine dollars (\$9.00) per day for each day away for raw food costs. For double occupancy, when both are away, the credit is eighteen dollars (\$18.00) per day. There is no credit for Housekeeping Services.

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Parking/Private Transportation		
Item or Service	Charge	Notes
Appointment within Local Area, on scheduled transportation days (typically Monday through Friday)	\$8 round trip	Local area includes Bridgeport, Fairfield, Trumbull, Stratford, Westport
Appointment outside Local Area	\$25.00/hour + \$0.55/mile	Within 10 Mile Radius
Appointment outside normal hours/days (typically 8am to 5pm)	\$35.00 per hour plus \$0.55 mile	Within 15 Mile Radius
Garage parking	\$45.00 per month	Garage 1 st and 2 nd floors
Same Day Cancellation of Transportation	\$10.00 per cancellation	
Private Transportation to the airports	\$110 – Bradley \$130 – LaGuardia (+ tolls) \$160 – JFK (+ tolls)	
Private Trips	\$25 per hour	
Surcharges – before 5:30 am/ after 8:00 pm	\$21	

Dining Services		
Item or Service	Charge	Notes
Guest/Resident additional meals	\$6.50 breakfast \$20.00 dinner	Town Center if beyond meal plan
Guest meals	\$5.50 breakfast; \$7.50 lunch; \$12.50 dinner	Inn, Gardens and Springs
Holiday/Special Events meals	From \$22.50 per meal	
Children's meals (under age 12)	1/2 price of guest meals	
“W” Lounge and Gallery Café Dining	Prices vary based on menu	
Packaged To Go/Resident Pick Up	\$4.00 per meal	
Meal Tray/Room Service	\$5.50 per delivery	Included in base rate in Inn, Gardens or Springs if ordered by nurse
Catering services	Prices vary based on requested menu	See Dining Services Director for pricing
Wait service for private party	\$25.00 per hour	

Resident Initials: _____



***Exhibit B to Continuing Care Contract
Schedule of Additional Fees***

Housekeeping		
Item or Service	Charge	Note
Additional cleaning: changing bedding, turning mattress, etc.	\$17.00 per ½ hour	Half hour minimum
Carpet cleaning • 1 Room • 2 Rooms • 3 Rooms • 4 Rooms • Spots	• \$25.00 • \$50.00 • \$65.00 • \$75.00 • \$15.00 per spot	Condition assessment
Annual cleaning	No Charge	
Linen Service and Personal Laundry • Sheets/towels – One set laundered per week provided by Resident • Sheets/towels – One set laundered per week provided by Resident • Additional set of sheets or towels (provided by Watermark) • Personal laundry, towels	• No Charge • \$10.00 per set • \$10.00 per set • \$1.50 per pound	• Town Center Full Service, Inn, Gardens and Springs. • Town Center Classic Plans & Cottages.
Housekeeping service for private party	\$25.00 per hour	For events not catered by Watermark, one hour minimum.

Resident Initials: _____



***Exhibit B to Continuing Care Contract
Schedule of Additional Fees***

Maintenance		
Item or Service	Charg	Notes
Handyman services, basic <ul style="list-style-type: none"> • Repair furniture and small appliances • Moving furniture/fans, etc. • Hanging shelves, mirrors, art, grab bars, etc. • Install TV, stereo, etc. 	\$30.00 per hour, plus supplies	One hour minimum
Change light bulbs/batteries on personal fixtures/equipment	No Charge	Resident to provide bulbs/batteries
Replacement keys or fob	\$100.00 per key \$75.00 per fob	
Replacement lock – Town Center	\$225.00 plus supplies	
Replacement lock – Inn, Gardens or Springs	\$75.00 plus supplies	

Misc. Fees		
One Time Fees	Town Center	Inn and Gardens
Non-refundable Pet Fee	\$750	\$750
Non-refundable Electric Cart Fee	\$300	\$300

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Assisted Living Services Agency (ALSA) Services for Town Center		
<i>Private duty personal services such as medication management, grooming assistance, and assurance checks are available through Watermark at Home, a licensed Assisted Living Services Agency (ALSA).</i>		
Item or	Charge	Notes
Certified Nursing Assistant Private Duty	\$22.00 per hour	One hour minimum
Certified Nursing Assistant Private Duty	\$32.00 per hour	Holidays and Overtime
Certified Nursing Assistant Services	\$6.50 per 15 minutes	15 minutes minimum
CNA Assurance Check	\$5.00 per visit	Further charges apply if care is necessary
CNA Assistance with TED Stockings	\$10.00 per application	Applies if separate from scheduled visit
LPN Visit	\$25.00 per 15 minutes	15 minute minimum
RN Visit	\$35.00 per 15 minutes	15 minute minimum
Emergency Response to Life Alert	No Charge	Emergency response is defined as a life-threatening event or illness
Non-Emergency Response for Residents using Life Alert	\$25 per response	Frequent response to non-emergency life alert calls. Residents identified as a continued fall risk without assistance. Repeated lock out.
Companion/Escort to provide assistance with short shopping trips and doctor's visit	\$22.00 per hour plus transportation charges	1 hour minimum
Escort Services to and from Community amenities and events (Dining Room, Gallery Café, Indulge Salon/Spa and special events).	\$6.50 per escort each way	\$22.00 per hour, one hour minimum for Companion if needed
Wound Care	LPN \$35.00, RN \$45.00, per 15 minutes	Per change includes non-medication supplies
Injections	LPN \$25.00, RN \$35.00, per 15 minutes	Medication Plan C, D, E includes treatment at no additional charge
Administration of eye drops	LPN \$25.00, RN \$35.00, per treatment	Medication Plan C, D, E includes treatment at no additional charge
Administration of nebulizer treatments	LPN \$25.00, RN \$35.00 per 15 minutes	Not included in Medication Plans
Lifeline Pendant Replacement	\$120.00	Per replacement

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Assisted Living Services Agency (ALSA) Services for Town Center (continued)		
<i>Medication Plans include pre-pour of medications, coordination of prescription renewals and/or refills, consultations with physicians, pharmacists and families. Medication Plans are available through Watermark's licensed Assisted Living Services Agency (ALSA).</i>		
Initial set up of Medication Plan – includes coordinating physician orders, pharmacy delivery and set up of medications.	\$200 one-time fee	Medication set-up (includes a one week pre pour)
Medication Plan A	\$100 weekly ongoing	Medication set-up (pre pour)
Medication Plan B	\$575.00 per month	Medication set-up (pre pour) bi-weekly or reminder once daily by C.N.A. - \$5 for each additional reminder needed by C.N.A.
Medication Plan C	\$750.00 per month	Medication set-up (pre pour) bi-weekly Medication Administration once daily by Nurse - \$15 for each additional Administration by Nurse
Medication Plan - D	\$900 per month	Medication set-up (pre pour) bi-weekly Medication Administration two times daily plus \$15 per PRNs by Nurse
Medication Plan - E	\$1100 per month	Medication set-up (pre pour) bi-weekly Medication Administration three times daily plus \$15 per PRNs by Nurse
Medication Plan - F	\$1300 per month	Medication set-up (pre pour) bi-weekly Medication Administration four times daily plus \$15 Per PRN by Nurse
Medication Administration- Storage Containers/Lock Box	\$15.00 per container \$25.00 per lock box	
Additional Medication Reminders	\$5.00 per reminder	By C.N.A.
Additional Medication Administration	\$15.00 per administration	By Nurse

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Town Center Additional Assisted Living Services		
Additional Assisted Living services available through a tiered point system. The tiered rates are based on individual needs and determined through a personal assessment by Watermark nursing staff.		
Tier Level 1 Town Center	\$1,100 per month	<p>Includes Medication Management + 1 reminder per day by C.N.A or 1 medication administration by LPN.</p> <p>Includes up to 30 minutes of services periodically provided throughout the day by C.N.A.</p> <p>Includes access to Watermark Club*</p>
Tier Level 2 Town Center	\$2,375 per month	<p>Includes Medication Management and up to 2 reminders per day by C.N.A or 2 medication administrations by LPN</p> <p>Includes up to 60 minutes of services periodically provided throughout the day by C.N.A.</p> <p>Includes access to Watermark Club*</p>
Tier Level 3 Town Center	\$3,400 per month	<p>Includes Medication Management and up to 3 medication reminders per day by C.N.A or 3 medication administrations by LPN</p> <p>Includes up to 90 minutes of services periodically provided throughout the day by C.N.A.</p> <p>Includes access to Watermark Club*</p>
Watermark Club*	\$65 per day – full day *Approval required through Nursing/Community Life Team	<p>Specialized programming based on individual needs.</p> <p>Continental Breakfast and Snacks served.</p>
<p>C.N.A. services includes escorts to dining rooms, assistance with activities of daily living such as dressing, showering, toileting and assistance with meals in your apartment. Services do not include private duty care.</p>		

Resident Initials: _____



**Exhibit B to Continuing Care Contract
Schedule of Additional Fees**

Inn and Gardens Additional Assisted Living Services		
Additional Assisted Living services available through a tiered point system. The tiered rates are based on individual needs and determined through a personal assessment by Watermark nursing staff.		
Tier Levels – Inn	<ul style="list-style-type: none"> • Tier I \$655 per month • Tier II \$1,285 per month • Tier III \$1,950 per month • Tier IV \$2,550 per month • Custom Charge \$2,550 per month plus \$1.10 per additional points. 	Includes Medication Management
Tier Levels – Gardens	<ul style="list-style-type: none"> • Tier I \$1,100 per month • Tier II \$2,150 per month • Tier III \$3,150 per month • Custom Charge \$3,150 per month plus \$1.35 per additional points. 	Includes Medication Management

Inn, Gardens and Springs Ancillary Services		
Town Center Life Care residents at the Inn, Gardens or Springs, either temporarily or permanently.		
Meal and Miscellaneous Charge	\$35.00 per day	
Personal Grooming/Incontinent Supplies	Varies per item	See attachment

Additional Information

Watermark shall have the right to add, delete and modify the services below at its sole discretion; provided however, Watermark shall give you at least thirty (30) days prior written notice of any such addition, deletion or modification.

Late Fees. If the Monthly Service Fee for any month is not paid by the tenth (10th) day of the month, Watermark shall impose a late charge of twenty-five dollars (\$25.00) on the eleventh (11th) day of the month in which the Monthly Service Fee is due and five dollars (\$5.00) for each day thereafter.

Resident Initials: _____



THE WATERMARK
AT 3030 PARK

***Exhibit C to Continuing Care Contract
Resident's Bill of Rights***

Watermark supports your rights to:

- Live in a clean, safe and habitable private residence;
- Be treated with consideration, respect and due recognition of your personal dignity, individuality, and the need for privacy;
- Privacy within your residence, subject to the Community's rules reasonably designed to promote your health, safety and welfare;
- Keep and use your personal property within your residence so as to maintain individuality and personal dignity, provided that your use of personal property does not infringe on the rights of other residents or threaten the health, safety and welfare of other residents;
- Private communications, including receiving and sending unopened correspondence, telephone access, and visiting with persons of your choice;
- Freedom to participate in and benefit from Community services and activities so as to achieve the highest level of independence, autonomy, and interaction within the Community;
- Directly engage or contract with licensed health care professionals and providers of your choice to obtain necessary health care services in your residence, or in such other space in the Community as may be made available to residents for such purposes;
- Manage your own financial affairs;
- Exercise civil and religious liberties;
- Present grievances and recommend changes in policy, procedures, and services to the Executive Director or Community associates, government officials, or any other person without restraint, interference, coercion, discrimination, or reprisal from the Community, including access to representatives of the Department of Public Health or the Office of the Long-Term Care Ombudsman;
- Upon request, obtain the names of the service coordinator or anyone else responsible for resident care or coordination of resident care;
- Confidential treatment of all records and communications to the extent required by state and federal law;

Initials: _____



THE WATERMARK
AT 3030 PARK

***Exhibit C to Continuing Care Contract
Resident's Bill of Rights***

- Have all reasonable requests responded to promptly and adequately within the capacity of the Community and with due consideration given to the rights of other residents;
- Be fully advised of the relationship that the Community has with any Assisted Living Services Agency, health care facility, or educational institution to the extent that such relationship relates to resident medical care or treatment, and to receive an explanation about the relationship;
- Receive a copy of any rules and regulations of the Community;
- Privacy when receiving medical treatment or other services within the Community's capacity;
- Refuse care and treatment and participate in the planning for the care and services you need or receive, provided, however, that your refusal of care and treatment may preclude you from being able to continue to reside in the Community; and
- If you are a continuing care resident, all rights afforded under Conn. Gen. Stat. § 17b-520 et seq. and any other applicable laws.

Watermark hopes that any complaints or concerns that you have can be resolved by our associates. However, you also have the right to contact the following state agencies regarding complaints or concerns:

1. Department of Public Health

Facility Licensing and Investigations
410 Capitol Ave., P.O. Box 340308, MS#12HSR
Hartford, CT 06134-0308
Tel. 860-509-7400
General: Loan Nguyen RNC, MSN
Complaints: Donna Ortelle, RN, MSN

3. Regional Ombudsman Program

Kimberly Massey, Regional LTC Ombudsman
Region I/ Southwest Office
Long Term Care Ombudsman Program
1057 Broad Street
Bridgeport, CT 06604
Tel. 203-551-5530

2. State Ombudsman Program

Nancy Shaffer, State Long Term Care Ombudsman
CT State Department on Aging
55 Farmington Avenue
Hartford, CT 06105
Tel. 866-388-1888 or 860-424-5200

If you are receiving nursing or personal care from an Assisted Living Services Agency, you also have other rights set forth separately in the Assisted Living Clients' Bill of Rights.

Initials: _____



THE WATERMARK
AT 3030 PARK

Disclosure Statement
Exhibit B

Life Care Addendum to Continuing Care Contract

LIFE CARE ADDENDUM TO CONTINUING CARE CONTRACT

THIS LIFE CARE ADDENDUM to Continuing Care Contract (“Life Care Addendum”) is made and entered on _____ (the "Effective Date") by and between: **CT Watermark 3030, LLC** (“Watermark”), a Delaware limited liability company, and _____ (“Resident” or “Residents”). (If more than one person enters into this Amendment, the word "you" as used herein shall include both persons unless otherwise stated.)

RECITALS

WHEREAS, Watermark and Resident entered into that certain Continuing Care Contract of even date herewith (the “Contract”);

WHEREAS, Watermark and Resident intend for the Contract to be a Life Care Contract and as such provide the Resident with certain benefits (the “Life Care Program Benefits”); and

WHEREAS, Watermark and Resident wish to enter into this Life Care Addendum in furtherance of their intentions.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, Watermark and the Resident agree to the following terms and conditions:

1. Terms.

- 1.1 The Contract, together with this Life Care Addendum, will be referred to as the “Life Care Contract.”
- 1.2 Any capitalized terms used in this Life Care Addendum and not defined herein shall be as otherwise set forth and defined in the Contract.
- 1.3 The words “**you**” and “**your**” as used herein refer to the Resident named in the introduction of this Life Care Addendum, and if more than one person is named in the introduction of this Life Care Addendum, the word “**you**” and “**your**” as used herein shall include both persons unless otherwise stated.

2. Health Care Benefit.

- 2.1 As a party to a Life Care Contract at the Community, you will be eligible, as of the date set forth in Section 3.1 below and commencing upon written order of Watermark’s Medical Director or your primary physician, to transfer permanently to a Standard Accommodation, as defined below, in the designated assisted living area (The Inn), memory care area (The Gardens) or nursing care area (The Springs) which are all a part of the Health Center located at the Community.
- 2.2 This benefit (the “Health Care Benefit”) is subject to certain conditions and limitations as described in this Section 3 of this Life Care Addendum.

Resident Initials: _____

- 2.3 The Health Care Benefit will not apply to temporary stays in the Health Center while you still occupy your Residence. For such temporary stays, it is anticipated that such temporary stays will be covered by Medicare or other insurance. You agree to pay any additional charges not covered by Medicare or such other insurance.

3. Benefit Contingencies.

The Health Care Benefit is contingent upon the following:

- 3.1 Eligibility for the Health Care Benefit begins on the later to occur of (i) your Date of Occupancy, or (ii) the date you paid your Entrance Fee Balance.
- 3.2 The Health Care Benefit shall commence when you move from your Residence and become a permanent resident at The Inn, The Gardens or The Springs as described in Section 17 of the Contract.
- 3.3 The Health Care Benefit applies to transfers to a studio apartment in The Inn or The Gardens or private room in The Springs (collectively, "Standard Accommodation"). A semi-private room will be considered a Standard Accommodation if Section 3.4 is applicable.
- 3.4 If accommodation is not available in The Inn, The Gardens or The Springs, you will be eligible to be admitted temporarily to a comparable facility at Watermark's discretion and will be put on a priority list for the appropriate level of care at the Community. If you choose not to return to Watermark at the time the accommodation becomes available, this Contract will be cancelled and the Health Care Benefit will terminate.
- 3.5 Upon transfer to The Inn, The Gardens or The Springs, you agree to sign a separate Inn, Gardens or Springs Addendum to the Contract (which is inclusive of this Addendum), as applicable.

4. Financial Considerations.

- 4.1 If you transfer permanently to a Standard Accommodation in the Health Center, you shall continue to be responsible for payment of the Monthly Service Fee (including Second Person Monthly Service Fee) and applicable charges on your Exhibit B schedule of services then in effect, and shall also be responsible (without duplication) for the following:
- 4.1.1 "Meal and Miscellaneous Charge," which covers two additional meals and two snacks per day, referral services and wellness education. The charge for this service in effect as of the Effective Date is outlined in Exhibit B. Watermark may increase such charge and revise Exhibit B from time to time by providing residents of the Community thirty (30) days prior written notice thereof.

Resident Initials: _____

4.1.2 Payment for any and all additional required or requested medical and related services (“Non-covered Costs”), which are not covered by the Monthly Service Fee, including, but not limited to, the following:

- (i) Personal physician services, dental care, physical and occupational therapy, special nurses, hospice services, non-house medical supplies, durable medical equipment and drugs and medication;
- (ii) Any and all costs related to emergency and/or hospital care, including, but not limited to, emergency physicians, paramedic, ambulance, etc;
- (iii) Any and all costs related to additional services or supplies provided at your request;
- (iv) Home care services, as needed or requested by you. You have the option to select a home health care agency of your choice, or, if appropriate, the licensed assisted living services agency (“ALSA”) located at the Community; and
- (v) Additional charges for occupancy in a non-Standard Accommodation, when at your request.

4.1.3 Payment for any and all additional care services in The Inn and/or The Gardens (“Tier Charges”) beyond those in the “Base Tier” as follows:

- (i) Tier Charges for additional levels of services (“Tiers”) that you require or may in the future require; the current Tier Charges in effect as of the Effective Date are outlined in Exhibit B. Watermark may increase such charges and revise Exhibit B from time to time by providing residents of the Community thirty (30) days prior written notice thereof;
- (ii) To determine whether and to what extent you require additional care services, Watermark will conduct a baseline functional assessment prior to or upon move in to The Inn and/or The Gardens, and periodically thereafter (e.g., when you exhibit a change in condition). Your needs, and the appropriate Tier, if applicable, will be documented in an Individualized Service Plan that you and your family or responsible party will sign.
- (iii) Watermark will update your Individualized Service Plan and Tier designation as necessary to reflect changes in your condition as determined by subsequent functional assessments. Any resulting change in Tier Charges will become effective immediately;

Resident Initials: _____

- (iv) Watermark may modify the Tier program for assisted living services, and may introduce new programs for such services and the payment for such services at any time by providing residents of the Community thirty (30) days prior written notice thereof.

4.1.4 Additional Non-covered Costs that Watermark may from time to time identify, whether of a medical/health nature or otherwise, for which you will be financially responsible. Watermark will notify you in writing at least thirty (30) days in advance of any such additional Non-covered Cost becoming effective.

4.2 Watermark may receive (either directly or by payment by you if you receive the payment) any applicable payments made under Medicare or any other health insurance plan. You will be required to pay for any health services not covered by this Contract, by Medicare or by other insurance.

4.3 If your Residence is occupied by two persons, and one of you permanently transfers to The Inn, The Gardens or The Springs, the non-transferring Resident remaining in the Residence must continue to pay the Monthly Service Fee for single occupancy and the permanently transferring Resident must continue to pay the Second Person Monthly Service Fee.

5. Ratification of Agreement.

Except as specifically modified by this Life Care Addendum, the Contract shall be and remain in full force and effect and is hereby ratified by the parties. To the extent that this Life Care Addendum conflicts with any of the provisions of the Contract, this Life Care Addendum shall control and supersede the Contract with respect to the subject matter hereof.

6. Governing Law.

This Life Care Addendum shall be governed by and construed in accordance with the laws of the State of Connecticut.

7. Entire Agreement.

The Contract and this Life Care Addendum contain all of the terms and conditions agreed upon by the parties hereto. Any prior agreements, promises, negotiations or representations, either oral or written not expressly set forth herein, are of no force or effect.

Resident Initials: _____

IN WITNESS WHEREOF, the parties have executed this Life Care Addendum as of the date first above written.

CT WATERMARK 3030, LLC

RESIDENT(S)

By: _____
Executive Director
Authorized Agent for Watermark

Print Name:

Print Name:

Resident Initials: _____



THE WATERMARK
AT 3030 PARK

Disclosure Statement
Exhibit C

Financial Statements

The Provider took over responsibility for the Community's operations on June 1, 2016 and therefore does not yet have financial statements for inclusion in this Disclosure Statement. The Provider's financial statements will be included in subsequent updates to this Disclosure Statement as they become available. The first such Disclosure Statement update will be issued in April 2017 and will provide audited financial statements for the period June 1, 2016 through December 31, 2016.

The prior provider's disclosure statements remain on file with the Connecticut Department of Social Services. As of June 1, 2016, the prior provider's disclosure filings included audited financial statements through the year ending December 31, 2015. The prior provider has also prepared unaudited financial statements for the period January 1, 2016 through May 31, 2016. These financial statements, and the prior provider's most recent Disclosure Statement with audited financial statements through December 31, 2015, are available for review at the Community.



Disclosure Statement
Exhibit D

Sworn Statement of Escrow Agent

Statement appears on next page.

Statement of Escrow Agent

The undersigned, People's United Bank, N.A., as escrow agent (the "Escrow Agent") hereby affirms and swears that it holds, as escrow agent for Watermark 3030 Park, LLC funds pursuant to the attached escrow agreement, which states that the funds so held are intended to be those required by sections Section 17b-524 of the Connecticut General Statutes, as amended to date, and Section 17b-525 of the Connecticut General Statutes, as amended to date.

IN WITNESS WHEREOF, the undersigned Escrow Agent has caused this Statement to be executed by its duly authorized officer as of the 2nd day of June, 2016.

People's United Bank, N.A.

By: Bruce B. Murray

Bruce B. Murray
Senior Institutional Trust Officer, SVP

STATE OF CONNECTICUT)

COUNTY OF FAIRFIELD)

ss:

Personally appeared Bruce Murray, the SVP of People's United Bank, N.A., being the duly authorized signer of the foregoing instrument acknowledged the same to be the free act and deed of such officer and the free act and deed of the Escrow Agent, before me.

Notary Public

MICHELLE BARTON
NOTARY PUBLIC
STATE OF CONNECTICUT
My Commission Expires October 31, 2018



THE WATERMARK
AT 3030 PARK

Disclosure Statement *Exhibit E*

Cash Flow Projections

ASSUMPTIONS USED IN PROJECTIONS

Revenues

Projections of revenues from Town Center and Health Center room and board fees, other operating revenues, entrance fees and entrance fee refunds are generally based on current in-place rates and market prices, with assumed annual growth rates (“inflationary rates”) of between 3.0% and 4.0%, and take into account estimated occupancy levels, projected health care and other service levels, new resident move-in volume, and attrition.

Other Income

Other income includes revenues from resident services, home care services, respite services, additional meals, ancillary health care services, Assisted Living Services Agency (ALSA) services, and similar sources.

Entrance Fees and Refunds

Projections of net revenues from entrance fees and entrance fee refunds are based on the current schedule of entrance fee prices (increased annually at inflationary rates), the estimated number of new residents moving into the Community under Continuing Care Contracts each year, an estimated mix of contract types and refund plans selected by such new residents, and estimates of the entrance fee refunds that would become payable as a result of such new resident occupancies.

Operating Expenses

Projected operating expenses are based on 2017 budgeted expenses and increased annually at inflationary rates and adjusted by assumed occupancy levels as applicable.

Capital Investments

Projected capital expenditures for 2017 of approximately \$4.25 million is the budgeted cost of planned 2017 improvements in the Community’s property and building systems. This amount includes \$0.5 million in annual capital maintenance required under the lease documents, plus \$3.75 million in additional discretionary investments into the Community that the Provider plans to make in 2017. Figures for subsequent years reflect annual capital maintenance requirements, increased by inflationary rates.

Lease Payments

Lease Payments are projected based on the terms of the Master Lease.



THE WATERMARK
AT 3030 PARK

**CASH FLOW STATEMENT
PROJECTIONS - 2017 through 2019**

	2017	2018	2019
(\$)			
Operating Revenues:			
Town Center Room & Board	7,677,845	8,138,516	8,626,827
Health Center Room & Board	6,124,856	6,369,850	6,624,644
Other Revenues	3,498,079	3,672,983	3,856,632
	17,300,780	18,181,349	19,108,103
Operating Expenses:			
General Operations	10,794,923	11,215,341	11,652,570
Nursing/Ancillaries	4,485,854	4,642,859	4,805,359
Marketing/Sales	731,773	757,385	783,894
	16,012,550	16,615,585	17,241,823
Operating Revenues in excess of Expenses	1,288,230	1,565,764	1,866,280
Other Cash Sources and Uses:			
Entrance Fees and Refunds, net	4,148,979	4,160,000	4,326,400
Capital Investments - Amount invested	(4,240,075)	(510,880)	(526,206)
- Less: externally funded	3,205,600	-	-
Lease Payments	(3,111,556)	(3,331,106)	(3,456,003)
Net Cash Flow	1,291,178	1,883,778	2,210,471



THE WATERMARK
AT 3030 PARK

Disclosure Statement
Exhibit F

Monthly Service Fees - Historical
Entrance Fees - Historical

Historical Monthly Service Fees (Based on Single Occupancy, Traditional Contract, incl. as reported by prior Provider)				
Year	1 Bedroom	1 BR Large	2 Bedroom	Cottage
2012	\$3,068	\$3,323	\$4,316	\$3,290
2013	\$3,210	\$3,995	\$4,925	\$3,290
2014	\$3,195	\$3,700	\$4,490	\$3,290
2015	\$3,210	\$3,995	\$4,925	\$4,645
2016	\$3,150 - \$3,650	\$3,650 - \$4,300	\$4,950 - \$5,150	\$4,645

Historical Entrance Fees (Based on Single Occupancy, Traditional Contract, incl. as reported by prior Provider)				
Year	Refund Option	1 BR – 1 BR+	2 BR – 2 BR+	Cottage
2012	Fully Declining	\$119,900 - \$327,500	\$203,000 - \$510,000	\$365,000 - \$389,000
	Mid-Refund	\$162,000 - \$442,250	\$274,250 - \$688,500	\$492,750 - \$525,250
	Max-Refund	\$198,000 - \$540,500	\$335,000 - \$841,500	\$602,250 - \$642,000
2013	Fully Declining	\$119,900 - \$327,500	\$203,000 - \$510,000	\$365,000 - \$389,000
	Mid-Refund	\$162,000 - \$442,250	\$274,250 - \$688,500	\$492,750 - \$525,250
	Max-Refund	\$198,000 - \$540,500	\$335,000 - \$841,500	\$602,250 - \$642,000
2014	Fully Declining	\$143,500 - \$285,500	\$229,500 - \$560,000	\$401,500 - \$427,900
	Mid-Refund	\$193,725 - \$385,500	\$310,000 - \$756,000	\$542,025 - \$577,665
	Max-Refund	\$236,775 - \$471,000	\$378,750 - \$924,000	\$662,475 - \$706,035
2015	Fully Declining	\$143,500 - \$285,500	\$229,500 - \$560,000	\$401,500 - \$427,900
	Mid-Refund	\$193,725 - \$385,500	\$310,000 - \$756,000	\$542,025 - \$577,665
	Max-Refund	\$236,775 - \$471,000	\$378,750 - \$924,000	\$662,475 - \$706,035
2016	Fully Declining	\$140,000 - \$345,000	\$340,000 - \$425,000	\$440,000
	Mid-Refund	\$201,500 - \$465,750	\$459,000 - \$573,750	\$549,000
	Max-Refund	\$245,850 - \$569,250	\$561,000 - \$701,250	\$726,000



THE WATERMARK
AT 3030 PARK

Disclosure Statement
Exhibit G

Monthly Service Fees - Current
Entrance Fees - Current

Monthly Service Fees					
Contract Type	1 BR Junior - 1 BR Large	1 BR Deluxe - 2 Bedroom	2 BR Medium - 2 BR Deluxe	Cottage	Second Occupant
Traditional	\$3,250-\$3,840	\$4,100-\$4,400	\$4,730-\$5,410	\$5,350	\$1,350
Life Care	\$3,600-\$4,190	\$4,450-\$4,750	\$5,080-\$5,760	\$5,700	\$1,850

Entrance Fees – Traditional				
<i>Apartment selection</i>		<i>Refund Plan selection</i>		
Type	Approx. Size (SF)	Declining	50% Fixed Refund	85% Fixed Refund
1 BR Junior – 1 BR Large	550-950	\$133,600-\$222,800	\$187,000-\$311,900	\$233,800-\$389,900
1 BR Deluxe – 2 Bedroom	1,000-1,175	\$230,500-\$262,500	\$322,700-\$367,500	\$403,300-\$459,300
2 BR Medium – 2 BR Deluxe	1,200-1,750	\$262,700-\$405,500	\$367,700-\$567,700	\$459,700-\$709,600
Cottage	2,100	\$484,000	\$677,600	\$847,000

The Second Occupant Entrance Fee (Traditional) is \$25,000 and is non-refundable.

Entrance Fees – Life Care				
<i>Apartment selection</i>		<i>Refund Plan selection</i>		
Type	Approx. Size (SF)	Declining	50% Fixed Refund	85% Fixed Refund
1 BR Junior – 1 BR Large	550-950	\$203,600-\$292,800	\$285,000-\$409,900	\$356,300-\$512,400
1 BR Deluxe – 2 Bedroom	1,000-1,175	\$300,500-\$332,500	\$420,700-\$465,500	\$525,800-\$581,800
2 BR Medium – 2 BR Deluxe	1,200-1,750	\$332,700-\$475,500	\$465,700-\$665,700	\$582,200-\$832,100
Cottage	2,100	\$554,000	\$775,600	\$969,500

The Second Occupant Entrance Fee (Life Care) is \$40,000 and is non-refundable.