

**FILED**  
Commonwealth of Virginia  
State Corporation Commission  
Bureau of Insurance  
June 12, 2024  
Commissioner of Insurance  
BY: Young Jones



**Registration and Disclosure Statement**

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY  
3100 SHORE DRIVE  
VIRGINIA BEACH, VIRGINIA 23451**

THE FILING OF THIS DISCLOSURE STATEMENT WITH THE STATE CORPORATION COMMISSION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT OF THE COMMUNITY BY THE STATE CORPORATION COMMISSION.

APRIL 29, 2024

Summary of Financial Information  
Westminster-Canterbury on Chesapeake Bay  
As of September 30, 2023 and 2022

	FY 2023	FY 2022
Total Assets	\$ 229,119,479	\$ 203,869,236
Total Liabilities	226,533,656	209,520,432
Total Net Assets	2,585,823	(5,651,196)
Total Revenues	76,277,498	69,359,074
Total Expenses	70,207,558	66,234,513
Operating Income (Loss)	6,069,940	3,124,561
Change in Net Assets without Donor Restrictions	\$ 8,237,020	\$ 6,816,553

Narrative on Financial Condition:

Westminster-Canterbury at Chesapeake Bay (“WCCB”) had a strong financial performance for the fiscal year. We generated a positive Operating Income of \$6.1 million, which included an Employee Retention Credit of \$3.3 million. Unrealized Gains of \$2.2 million due to improvements in the financial markets drove the Change in Net Assets without Donor Restrictions. Net proceeds from Entrance Fees totaling \$22.8 million were received during the fiscal year. This exceeded the budget by \$3.3 million, indicating strong demand for our product and services.

The FY23 Debt Service Coverage Ratio for the Obligated Group, a key measure of financial stability, ended the year at 5.61X, which compared favorably to the bond requirement of 1.20X.

Days Cash on Hand for the Obligated Group was 482, which strongly exceeded the bond requirement of 120. Total consolidated assets are \$299.9 million compared to \$274.1 million the prior year.

Level of Care	Capacity	Average Occupancy	Occupancy %
Independent Living	436.8	403.0	92.3%
Assisted Living	80.0	66.8	83.5%
Nursing Care	108.0	98.4	91.1%

**I. NAME, ADDRESS AND LEGAL STATUS OF THE CONTINUING CARE PROVIDER.**

**Name:** Westminster-Canterbury on Chesapeake Bay

**Business Address:** 3100 Shore Drive  
Virginia Beach, Virginia 23451

**Jurisdiction In Which Provider Is Organized:** Virginia

**Type of Organization:** Westminster-Canterbury is a non-profit, non-stock Corporation formed pursuant to the provisions of the Virginia Non-Stock Corporation Act, as Codified in Title 13.1 of the Code of Virginia of 1950, as amended.

**II. INFORMATION ABOUT OWNERSHIP OF THE COMMUNITY.**

All of the land and buildings that constitute the community are located at the above address and are owned by the provider.

**III. INFORMATION ABOUT THE PROVIDER'S OFFICERS, DIRECTORS, TRUSTEES, MANAGING AND GENERAL PARTNERS AND CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTERESTS.**

A. The Trustees of the provider are elected as a self-perpetuating board:

<b>Episcopalian Trustees</b>	<b>Presbyterian Trustees</b>
Mr. Ronald Ripley	Ms. Lisa B. Smith
Mr. Elwood B. Boone III	Mr. John D. Cavanaugh
Mr. Charles D. Robison	Dr. George Wong
Mr. George Compo	Mr. Clint Damuth
Mr. Richard C. Burroughs	Dr. Theresa "Terry" Whibley
Dr. Armistead Williams	
Mr. Robert "Bob" Taylor	
Ex-Officio Trustees The Rt. Rev. Susan Haynes Bishop Diocesan	
Forrest Williams, Foundation Chair	

B. The Officers of the provider are:

Chair:	Ms. Lisa B. Smith
Vice-Chair:	Mr. John D. Cavanaugh
Secretary:	Mr. Bernard B. Boone III
Treasurer:	Mr. Chick Robison
President & CEO:	Mr. J. Benjamin Unkle, Jr.
Senior Vice President, Health and Innovation, and Assistant Secretary:	Dr. Victoria Crenshaw
Chief Financial Officer, Corporate Compliance Officer and Assistant Treasurer	David B. Myers

IV. **BUSINESS EXPERIENCE OF THE PROVIDER, ITS OFFICERS, DIRECTORS AND TRUSTEES; ACQUISITION OF GOODS AND SERVICES FROM THE PROVIDER, ETC.; AND CRIMINAL, CIVIL OR REGULATORY PROCEEDINGS AGAINST THE PROVIDER, ETC.**

A. **Specific business experience in the operation or management of similar communities:**

1. The Provider:

Westminster-Canterbury has owned and operated the life plan/continuing care community located at 3100 Shore Drive since it began operating in 1982. Westminster-Canterbury also owned and operated the Ballentine Home, an Assisted Living Community in Norfolk which was sold to an unrelated party on March 5, 2012.

2. Trustees:

Lisa B. Smith, Esq. currently serves as the Chair of the Board of Trustees of Westminster-Canterbury. She also serves as a community volunteer in South Hampton Roads. She has served as a Board of Director for several non-profits including, but not limited to Access College Foundation, the Chrysler Museum, Smart Beginnings South Hampton Roads, the Norfolk Forum, CHKD's Child Abuse Development Board, and the YMCA. In 2014, Ms. Smith was appointed to the Old Dominion University Board of Visitors by Governor Terry McAuliffe, serving as Vice-Rector. Before moving to this area, Ms. Smith spent nearly twenty years as an attorney in the telecommunications industry. She has worked as Senior Regulatory Counsel for MCI Corporation for eight years, where she focused her efforts

on federal and state telecommunications public policy. Ms. Smith also served as Senior Advisor to the Federal Communications Commission (FCC) Commissioner.

John D. Cavanaugh currently serves as Vice-Chair on the Board of Trustees for Westminster-Canterbury, and is Partner and co-founder of Cavanaugh Nelson PLC and a graduate of Virginia Tech. He serves as Treasurer on the Board of Trustees of Westminster-Canterbury. Mr. Cavanaugh helped form Cavanaugh Nelson in January 2000 after twenty years “Big Four” experience, the last eight of which he served as a partner in the Norfolk office of Price Waterhouse. John’s experience includes providing audit and management advisory services to private companies, financial institutions, healthcare entities, and non-profit organizations primarily located in the mid-Atlantic region. In addition to John’s client services experience, he serves or has served on the Board of Directors of the Westminster Canterbury on the Chesapeake Bay, the Boys and Girls Clubs of South Hampton Roads, the Economics Club of Hampton Roads (co-Founder), the Virginia Chapter of the American Heart Association, the ODU Center for Economic Education, the Greater Norfolk Corporation, and as a member of the Advisory Boards of the Virginia Tech Department of Accounting and the Old Dominion University College of Business and Public Administration. In addition to John's business and civic affiliations, he has served on the Board of Directors of the Norfolk Yacht and Country Club, the Cedar Point Club and the Town Point Club. John is also a member of the AICPA and VSCPA.

Elwood Bernard “Bernie” Boone III is the current Secretary on the Board of Trustees for Westminster-Canterbury, and joined Sentara Healthcare on August 15, 2012 as the President of Sentara Virginia Beach General Hospital. Bernie joined the Board of Trustees of Westminster-Canterbury January 2020. Previously, he served as Chief Executive Officer of multiple hospitals over a 16-year career with Hospital Corporation of America (HCA) in Virginia, New Hampshire, and Texas. As President of Sentara Virginia Beach General Hospital, Mr. Boone has led the development of a master facility plan and secured a \$53 million capital investment to support expansion of Surgical Services and the opening of a new ICU. In partnership with the City of Virginia Beach, Mr. Boone oversaw the commencement of the VB Strong Center designed to provide support and resources to individuals impacted by the May 31,

2019 shooting at the Virginia Beach Municipal Center.

Richard Burroughs spent more than 45 years in the Commercial Real Estate Market working for Harvey Lindsey. He served in several roles with the company including President and Vice Chairman. Mr. Burroughs also served in the U.S. Navy. He is a graduate of Norfolk Academy and received his Bachelor of Arts degree from Washington and Lee. Mr. Burroughs has served on several boards including the Westminster-Canterbury Foundation Board as well as the Norfolk Academy Board of Directors. He has also been a Senior Warden for Galilee Episcopal Church in Virginia Beach.

George L. Compo is President of Compo Construction Company in Norfolk. He received a Bachelor of Science degree in Building Construction from Virginia Tech University and remains an avid Hokie fan. Mr. Compo serves on the Westminster-Canterbury Board of Trustees and the Virginia Tech construction school advisory board. He is also the state chair for the Association of General Contractors.

Charles Robison, who goes by the nickname “Chick” is a retired Banker. He was a senior executive with R/E Finance. Chick is a graduate of Hampden-Sydney College and R/E School of Finance through the American Bankers Association. He has served on the Board of Norfolk Botanical Garden and has been Chairman of the Norfolk Wetland Board. Chick is also a member of the Norfolk Rotary Club.

Dr. George Wong is a Clinical Instructor of Family Medicine and Assistant Professor of Clinical Family and Community Medicine at Eastern Virginia Medical School. Since 1981 he has also been with Sentara Bayside Family Practice and the Team Physician for Bayside High School. He was recently named the Medical Director at Virginia Wesleyan University Student Health Clinic. Dr. Wong is very involved in the Hampton Roads community, having served on many boards, including 38 years on the Chinese Community Association of Hampton Roads Board of Directors. He is also a Church Elder at Bayside Presbyterian. He joined the Westminster- Canterbury Board of Trustees in January 2018.

Ronald C Ripley is President of Ripley Heatwole Company, Inc., a multifamily real estate and development firm with affiliates, including a Class-A General Contractor, Mortgage Banking Services, Property Management Services and Telecommunications. Ronald Ripley is a Principal in RH

Builders, Inc., a multifamily construction company; Virginia Financial Advisors, Inc., a commercial mortgage finance company; and TELCOM Systems, L.L.C., a telecommunication company. Mr. Ripley entered the business in 1970 and has extensive experience in all facets of the multifamily real estate and development business, from affordable family and senior housing to mixed-use luxury apartments. To date, the Ripley Heatwole Company has developed over 5,300 multifamily housing units throughout the State of Virginia. Ronald Ripley is a graduate of Old Dominion University with a Bachelor of Science from the Darden College of Education. He also holds the professional appraisal designation of Senior Real Property Appraiser (SRPA) from the American Institute of Real Estate Appraisers.

Dr. Armistead Williams graduated from Princeton University and the University of Virginia Medical School. He performed a 2 year internal medicine residency at Medical College of Virginia and his Neurology Residency at the University of Virginia. He is certified by the American Board of Psychiatry and Neurology and the American Board of Electrodiagnostic Medicine. His area of interest includes stroke, dementia and general neurology. He is a member of the Sentara Medical Affairs Committee and is Stroke Director at Bon Secours DePaul Hospital.

Clint Damuth, is the President of Damuth Trane, a Chesapeake-based professional energy services company that specializes in providing building solutions to clients. He earned a B.A. from Virginia Tech and M.B.A. from Old Dominion University. He began his career with Damuth in the early '80s and after serving in several leadership roles was named President in 2000 and the Hampton Roads Trane Franchise Holder for Commercial Systems in 2016. Mr. Damuth has served in several roles with the Hampton Roads Chamber and currently serves on Admin Support and the Music Ministries at Bayside Presbyterian Church. Clint serves on the Southside Board of Old Point Bank, and has been a board member of the Academy of Music, LEAD Hampton Roads (LEAD Graduate Class of 2006), and served as President of the National Association of Trane Franchise Holders.

Theresa W. Whibley, M.D., has served on many boards, including the Board of Tidewater Community College and Eastern Virginia Medical School. Dr. Whibley has served as a member and Chair of the Norfolk School Board and was also elected and served on the Norfolk City Council. She received her medical degree and completed her OB/Gyn residency at Eastern Virginia Medical School. Dr. Whibley practiced OB/GYN medicine in Hampton Roads from 1987 until retiring from practice in 2022. Dr. Whibley resides in Norfolk with her husband, Rod. They have two children; Meredith, who lives in Richmond with her husband and their three children, and Josh, who

lives in Charleston with his wife and child. In her free time, Dr. Whibley enjoys golf, cycling, traveling, and spending time with her family.

Mr. Robert “Bob” Taylor served as president and CEO of Do it Best Corp. from January 1, 2002 through January 4, 2016. Mr. Taylor joined Do it Best Corp. in January 2001 as Senior Vice President of Operations, overseeing purchasing, retail logistics, marketing and international development. He succeeded former president and CEO Mike McClelland, who served in that capacity since 1992. Mr. Taylor was only the fourth CEO since the company was founded in 1945.

Prior to joining Do it Best Corp. in 2001, Mr. Taylor served as president of Taylor’s Do it Centers in Virginia Beach, VA, and brought more than 25 years of hardware retailing experience to Do it Best Corp. management. Named one of the 1999 National Home Center News People to Watch, Mr. Taylor also served for six years (1994-2000) on the Do it Best Corp. board of directors including as chairman of the board for two years. In 2012, he was inducted into the prestigious Home Channel Hall of Fame.

Mr. Taylor has taken a variety of leadership positions within his local community, serving while in Virginia Beach as chair of the Virginia Beach Chamber of Commerce, Virginia Beach Vision, the local United Way campaign, and the Better Business Bureau. Mr. Taylor was named Volunteer of the Year by the Hampton Roads Chamber of Commerce in 2000. Mr. Taylor continued in civic and charitable activities in Fort Wayne with leadership locally on Corporate Council, the Northeast Indiana Regional Partnership, the Regional Chamber, the Foellinger Foundation, and United Way. He also chaired the Fort Wayne Downtown Blueprint Plus and Baseball Plus committees. Mr. Taylor served for nine years on the national board for Big Brothers/Big Sisters, and was recognized in 2015 with their Charles Berwind award for lifetime achievement. Mr. Taylor also served on the Indiana State Chamber Board and was appointed by Governor Daniels and reappointed by Governor Pence to the board of the Indiana Economic Development Corporation. In addition, Mr. Taylor served on the board of directors for Tower Bank and LDI, Ltd., and as a director and past chairman of the National Association of Wholesalers & Distributors.

### 3. Managing Officers:

J. Benjamin Unkle, Jr. is President and CEO of Westminster-Canterbury, a developer/operator of senior living communities



and provider of back office support services to other senior living providers. Prior to joining Westminster-Canterbury, Mr. Unkle was Senior Vice President of Western Operations for Erickson Living, a national leader in senior housing and health care. Mr. Unkle had leadership responsibility for eight Continuing Care Retirement Communities in that position. The part of the organization under his charge had over \$200M in revenue. Before joining Erickson Living, Mr. Unkle practiced law with DLA Piper (formerly Piper & Marbury), headquartered in Baltimore, MD. He earned his B.A. degree in Government & Politics and his Juris Doctor, both with honors, from the University of Maryland.

Joan Punch is the President of Senior Options, a Home Health and Hospice advisory group, and Westminster-Canterbury at Home, a home health and hospice agency in Virginia Beach. She previously served as Vice President of Operations & Clinical Services for Senior Options. She has over 30 years of experience in Home and Community-Based Services (HBCS), in Hospitals, and Life Plan Communities.

Ms. Punch's compassion, energy, and focus have been evident throughout her career. She has expertise in implementing new Home Health and Hospice operations as well as supporting existing agencies in operational and financial improvement. In addition, she is an expert in operational audits, consulting, and leadership for Home Health and Hospice. Also, she is mission-focused on leadership and creating healthy organizations that bring out the best in people.

Ms. Punch has a Bachelor's Degree in Nursing from The University of Cincinnati and a Master's Degree in Organizational Development and Positive Change Management from the Weatherhead School of Management, Case Western Reserve University. Ms. Punch is Certified in Emotional Intelligence and Appreciative Inquiry.

Dr. Victoria Crenshaw is Senior Vice President of Health and Innovation, and Executive Director of Operations for Opus Select and Hospice House of Hampton Roads. She is the subject matter expert in all healthcare-related areas. She is developing innovative ways to drive the programs and processes on the Westminster-Canterbury campus and in our community. She has consistently led her teams to produce outstanding clinical outcomes with CMS 5 Star designation, employing cutting-edge benchmarking tools and strategies. Dr. Crenshaw is a

Geropsychologist with a Master's Degree in Gerontology and a doctorate in Developmental Psychology with a concentration in Aging. She has an extensive healthcare clinical and operations background. She has served as the Vice President of a nationwide healthcare organization providing oversight to 126 skilled and assisted living centers in nine states. She also served as the Vice President of Programs and Services for the Alzheimer's Association, National Capital Division, and is Chair of the Mayor's Commission on Aging for the City of Virginia Beach.

David B. Myers is the Chief Financial Officer and leads the financial aspects of the community. He is an accomplished and self-directed organizational leader with over 27 years of financial management experience in the senior living and healthcare industries. Before becoming the Chief Financial Officer in 2018, Mr. Myers served as the Controller of Westminster-Canterbury for 17 years, providing his expertise in financial and operational management, corporate taxes and regulatory compliance, debt restructuring and business process improvements. Before joining Westminster-Canterbury, Mr. Myers worked for ten years for Riverside Health System, a flagship regional medical system, as an Internal Auditor and Assistant Controller in its long-term division. Mr. Myers is a CPA and has a BS in Accounting from Pennsylvania State University.

Timothy Tivvis currently serves as the Executive Director and Vice President of Campus Operations at Westminster-Canterbury on Chesapeake Bay (WCCB.). Mr. Tivvis was a General Manager for Compass Group Inc., a hospitality service management company, prior to joining WCCB. In addition, Mr. Tivvis served Compass as a Regional Platinum Service Champion partnering with ten Compass communities on operational standards and chaired a national Diversity & Inclusion Action Council for two years. Mr. Tivvis is a graduate of the Culinary Institute of America in Hospitality Management and Baking & Pastry, and an Associate Certified Coach (ACC) from the International Coaching Federation. Mr. Tivvis has begun working on a degree in Organizational Management through Purdue University Global.

4. Independent contractors hired to manage the community:

The community has some managerial assistance in dining services, but its operations are managed daily by employees of

the Provider.

- B. Name and address of any professional service, firm, association, foundation, trust, partnership or corporation or any other business or legal entity in which an officer, director or the like has, or which has in such person, a ten percent or greater direct or indirect interest and which it is presently intended will or may provide goods, leases or services to the provider of a value of \$500 or more, within any year, including:**
- 1. A description of the goods, leases, or services and the probable or anticipated cost thereof to the provider;**
  - 2. The process by which the contract was awarded;**
  - 3. Any additional offers that were received; and**
  - 4. Any additional information requested by the Commission detailing how and why a contract was awarded.**

Neither the provider nor any of its members or other persons named in the previous section has a ten percent or greater direct or indirect interest in any professional service, firm, association, foundation, trust, partnership or corporation or any other business or legal entity (collectively, "Entity") and no such Entity has a ten percent or greater direct or indirect interest in any such person or Entity which it is presently intended will or may provide goods, leases or services to the provider of a value of \$500 or more within any year.

- C. Description of any matter in which an officer, director, or the like:**
- 1. Has been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; or**
  - 2. Is subject to an injunctive or restrictive order or a court of record, or within the past five years had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or health care, including without limitation actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this**

**chapter or similar laws in another state; or**

- 3. Is currently the subject of any state or federal prosecution or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of property.**

Neither the provider nor any of its Trustees or Officers are or have been subject to any of the actions described in paragraphs 1, 2 and 3 above.

**V. AFFILIATIONS WITH RELIGIOUS, CHARITABLE OR OTHER NON- PROFIT ORGANIZATIONS; TAX STATUS OF PROVIDER.**

**A. Religious Affiliation and Financial Responsibility of Affiliates:**

As previously noted, the corporation was founded by the Episcopal Diocese of Southern Virginia and the Presbytery of Eastern Virginia, Presbyterian Church (U.S.A.). Leaders of the two church bodies serve on the Board of Trustees but are not and will not be in any way, legally responsible for the financial and contractual obligations of the provider.

**B. Federal Tax Exemption:**

Westminster-Canterbury on Chesapeake Bay has been determined to be tax-exempt and has such status under Section 501 (c) (3) of the Federal Internal Revenue Code. The certificate and letter setting out such tax exemption are available upon request to Westminster-Canterbury.

**VI. LOCATION AND DESCRIPTION OF REAL PROPERTY AND STATUS OF ANY CONSTRUCTION THEREON.**

VI. Westminster-Canterbury opened its original residential and health care community (the "Community") in March of 1982 on a 12.2-acre site fronting on the Chesapeake Bay at 3100 Shore Drive in Virginia Beach, Virginia, approximately 13 miles from the business center of Norfolk and 5 miles from the oceanfront resort area of Virginia Beach. The Community originally contained 335 independent living residential units, consisting of studio, one and two-bedroom units in a 14-story high-rise structure (the "East Tower"), a swimming pool, exercise room, assorted meeting and dining rooms, lobbies, lounges, offices and a licensed nursing home (the "Health Care Center") containing 75 beds. Construction began in January of 1980 and the Community opened for occupancy in March of 1982.

In 1985, Westminster-Canterbury undertook the construction of 14 additional health care center private rooms and a 36-unit two-story assisted living center (the "Assisted Living Center") to accommodate residents, provide an additional level of care and expand the physical therapy department and resident clinic. Construction was completed in 1986.

In 1985, the Ballentine Home Corporation, a 74-bed home for adults located in Norfolk, Virginia, was organized by the Episcopal Diocese of Southern Virginia and the Presbytery of Eastern Virginia of the Presbyterian Church (U.S.A) and incorporated as a non-profit non-stock corporation. In February 2005, Westminster-Canterbury became the sole member of the Ballentine Home. Before that time, Westminster-Canterbury provided contracted management services to the Ballentine Home. On March 5, 2012, the Ballentine Home assets were sold to an unrelated party. The Ballentine Home has no operations; however, the proceeds from the sale are held by the Ballentine Home to further the mission of Westminster-Canterbury.

In 1993, construction began on an additional floor to the Assisted Living Center and renovations to the Health Care Center to provide more private beds. This addition increased the number of assisted living units from 36 to 53 and private nursing beds in the Health Care Center from 17 to 37. Construction was completed in 1994.

In 1996, Westminster-Canterbury purchased its first unit in the three-story, 30 unit, elevator-equipped condominium complex known as Casa del Playa located on the Chesapeake Bay adjacent to the Community at its eastern border. Westminster-Canterbury has now purchased 29 of these 1,350 sq. ft. units (the “Villas”), which have been assigned to residents who prefer a low-rise “cottage” type residential apartment but still want to enjoy the full program of services offered to residents in the Community. Two Westminster-Canterbury representatives serve on the Board of the Condominium Association.

During 1999, in anticipation of new construction, the first floor of the East Tower began converting independent living apartments into assisted living units. By the end of the fiscal year 1999, the number of assisted living beds had increased from 53 to 64.

In early 2000, construction was started on an expansion of the Community, which included a new 14-story residential wing (“the West Tower”) that added 164 new independent living apartments, a 435 space covered parking garage, a 350 seat auditorium, a new exercise room with indoor pool and a new chapel. The Expansion Project also expanded the number of assisted living beds to 81, which included a new 14-bed memory support facility.

Renovations were made to all of the common areas in the East Tower, including a new country store and a resident business/computer office. The dining venues were renovated and expanded to include a new café for casual dining. Construction was completed at the end of March 2002 and residents began occupying the West Tower in April 2002.

In February 2006, Westminster-Canterbury completed a program of bed conversions that changed the configuration of its units/bed mix. Twenty-one assisted living beds on the third floor of the Health Care Center were converted into 20 skilled nursing beds. The additional beds are certified for the Medicare program, but not Medicaid.

The number of assisted living beds increased from 81 to 95 through the conversion of independent living apartments on the third floor of the East Tower.

In November 2008, a \$2.5 million dining services renovations project was undertaken to expand and modernize Westminster-Canterbury's dining program. The project included a new lounge with full liquor service, a new cook to order, an open kitchen area known as "Center Stage," a new Bistro offering informal café style dining and a full-service restaurant offering upscale menu selections.

In 2013, Westminster-Canterbury created *Westminster-Canterbury at Home, LLC*, a wholly-owned limited liability company organized under the laws of the Commonwealth of Virginia. Westminster-Canterbury at Home provides Westminster-Canterbury's home health, hospice and related services.

In 2015, Westminster-Canterbury created *Senior Options, LLC*, a wholly-owned limited liability company organized under the laws of the Commonwealth of Virginia. Senior Options assists unrelated non-profit organizations in providing high-quality home and community-based health care programs to their patients. Senior Options provides administrative, quality assurance, education, training, billing and other advisory services to other senior living organizations.

In 2016, Westminster-Canterbury created *S.O. Realty, LLC*, a wholly-owned limited liability company organized under the laws of the Commonwealth of Virginia. S.O. Realty owns an office building that provides office space for Senior Options, LLC and Westminster-Canterbury at Home, LLC. Also, one outside tenant leases space within the building.

In October 2016, Westminster-Canterbury began a \$36.4M campus-wide revitalization project. The project, completed in May 2019, consisted of the following:

- Turning semi-private rooms into private rooms in The Hoy Center (healthcare center) and creating a neighborhood model on all four floors.
- Building a new, larger, state-of-art rehabilitation center (adding 13 new units).
- Constructing a new Wellness Center addition to promote life-long healthy living.
- Remodeling dining venues and most ground floor areas throughout the community.

During 2018, Westminster-Canterbury purchased the capital stock of the *Lynnhaven Fishing Pier Corporation*, a Virginia corporation that has made an S- Corporation election and its related property for \$6,000,000. The purchase price was allocated to land on the accompanying consolidated balance sheets. Westminster-Canterbury is now the sole owner of Lynnhaven.

During 2019, Westminster-Canterbury purchased six additional Case del Playa condominiums and now owns 29 of the 30 units.

In February 2019, Plante Moran, a certified public accounting and business advisory firm, published an article in McKnight's Senior Living identifying Virginia Beach as one of the three hot metro areas needing more senior living development. The article reaffirmed Westminster-Canterbury's own investigation about the local market and the need for additional senior living housing. Westminster-Canterbury began the preliminary stages of analyzing the feasibility (demand, pricing, building size, costs, etc.) of constructing a modernized Assisted Living / Memory Care building and new waterfront Independent Living tower ("Expansion Project") on an adjacent piece of property purchased in 2018. Outside consultants were engaged to assist in the analysis. In March, a Conditional Use Permit ("CUP") application was presented to the City of Virginia Beach Planning Commission seeking approval to use the property to further the organization's mission and purpose.

In May 2019, Westminster-Canterbury signed a purchase and sales agreement with the Casa del Playa Condominium Unit Owners' Association to purchase the entire property, which included the 30 units and common elements, for \$15M. The purchase agreement was fully executed on August 20. Since Westminster-Canterbury already owned 29 of the 30 units, the actual cash purchase price was \$500,000. The project will be used as part of the Expansion Project.

On September 22, 2020, Virginia Beach City Council approved Westminster-Canterbury's Expansion Project. The Expansion Project will consist of two phases. Phase I is the construction of a seven-story Assisted Living (AL) and Memory Support (MS) building with approximately 75 licensed AL apartments, approximately 48 MS Apartments, adult care program and dining facilities and other amenities over one level of parking. Upon completion of the new AL/MS building, renovations to the existing East Tower campus property will convert the current East Tower assisted living space to approximately 34 independent living units with new lighting, plumbing, HVAC, laundry and finishes. Phase I is scheduled to begin construction in 2024. Phase II is the construction of a new 22-story waterfront Independent Living Tower called the "Bay Tower." The Bay Tower will be home to 225 apartments ranging from 710 sq. ft. studios to 2,675 sq. ft. two bedrooms/den apartments. As part of the 225 apartments, The Bay Tower will feature 39 highly sought-after Flats that wrap around the first five floors of the parking garage. The Flats range in size from 950 sq. ft. to 2528 sq. ft. The Bay Tower will be full of new amenities, including casual and outdoor dining, a Theater, Sip & See Paint Shop, Game Room and a Rooftop Amenity Deck on top of our five-story parking garage. The Amenity Deck will include outdoor seating and dining, a plunge pool, outdoor gaming activities and many other unique features. The 19th Floor will also be home to a Sky Lounge complete with a Wine Bar and breathtaking views from the East and West. Presales for the Bay Tower began in August 2024 2022. All of the numbers and timeframes shown above are based on current estimates and may change with the completion of final plans and the state of the economy. The current plan is to issue publicly offered tax-exempt bonds to finance the Expansion Project.

In September 2021, Senior Options Community was incorporated in September 2021 as a non-profit Virginia nonstock corporation, the sole member of which is Westminster- Canterbury. Senior Options Community, governed by a board of directors appointed by the Board of Trustees of Westminster-Canterbury, is a self-supporting, tax-exempt organization organized for charitable and religious purposes, including providing housing and health care to aged persons. Senior Options Community is not a member of the Obligated Group, which consists of Westminster-Canterbury on Chesapeake Bay and Westminster-Canterbury Foundation.

On December 15, 2021, Senior Options Community acquired the Overture, a 172-unit, 62+ rental apartment community located at 3317 Ocean Shore Avenue, Virginia Beach, VA 23451. The Overture, built in 2017 and less than a mile from our flagship Life Plan Community, is a preeminent beach-front rental community that offers resort-style living with best-in-class amenities and exceptional views. Senior Options Community secured a \$48.5M loan to finance the purchase and Westminster-Canterbury on Chesapeake Bay and Westminster-Canterbury Foundation provided a \$12 million limited guaranty. The Organization believes that purchasing the Overture presented a unique opportunity to expand its mission without taking construction and absorption risk. During 2022, the Overture was rebranded as Opus Select.

In 2023, Westminster-Canterbury created *Cannability Consulting, LLC*, a wholly-owned limited liability company organized under the laws of the Commonwealth of Virginia. Cannability Consulting provides individual and industry education, consultation, advocacy, and evidence-based interventions that allow individuals to make safe and informed decisions about cannabis therapeutics. Cannability Consulting respects the rights of individuals to be involved in their wellness and care journey while working within federal and state regulations.

On December 12, 2023, Westminster-Canterbury closed on a \$424 million bond sale to finance an expansion of its Existing Community. The Expansion Project will consist of a new 22-story independent living apartment building named The Bay Tower, which will be located on land adjacent to the Existing Community, consisting of a portion of the property on which the Villas are currently located and a portion of the property previously owned by the Lynnhaven entity and acquired by Westminster-Canterbury. The Expansion Project will include demolition of the Villas, construction and equipping of the Bay Tower to include 226 new Independent Living Units (the “Expansion Independent Living Units”), and construction of a 5-story parking garage to include 396 spaces (the “Parking Garage”). The Bay Tower and the Parking Garage will total approximately 740,000 gross square feet. The Independent Living Units will range from 710 square foot studios to 2,675 square foot two-bedroom/den apartments. Thirty-nine of the 226 new units will be flats that wrap around the first five floors of the Parking Garage (the “Flats”). The Flats will range from 950 square feet to 2,528 square feet. Residents in the Bay Tower will have access to all common areas and health care services of the Existing Community. Many of the units in the Bay Tower will have views of the Chesapeake Bay. The Bay Tower will include luxury amenities such as a theater, paint & sip shop, game and entertainment room, and a rooftop



amenity deck located on the top of the Parking Garage. The amenity deck will include outdoor seating and dining, a plunge pool, outdoor gaming activities, a pickleball court, and many other unique features. The 19th floor will also be home to a sky lounge with a wine bar.

As of September 30, 2023, Westminster-Canterbury has 430 independent living apartments, 80 assisted living units (of which 14 are devoted to memory care), and 108 licensed nursing care beds. The Department of Social Services licenses assisted living in the East Tower. All nursing care beds are licensed by the Department of Health and are certified by the Center for Medicare Services. Also, 14 nursing care beds are certified by the Center for Medicaid Services.

**VII. SERVICES PROVIDED UNDER CONTINUING CARE CONTRACT.**

See **Exhibit 7** for a copy of the current Member and Services Agreement

LifeCare benefits will be provided by Westminster-Canterbury on Chesapeake Bay and your rental and living needs will be provided by Opus Select (per the terms of your rental lease agreement with Opus Select) until you need care.

**A. Services provided that are included in the basic contract:**

1. Shelter and related services:
  - All-electric kitchen (with microwave, dishwasher)
  - Flooring
  - Window Coverings
  - Individually controlled heating and air conditioning
  - Washer and Dryer in all Apartments
  - Smoke detectors
  - Maintenance supervision of buildings and grounds
  - Emergency generator and lighting system
  - Trash chutes on each floor
2. Dining Services: *(If applicable)*
  - The monthly fee includes a flexible spending account that is sufficient to provide one complete dinner meal per day.
  - Members may purchase additional meals on an a la carte basis.
3. Housekeeping Services: *(If applicable)*
  - Vacuuming
  - Dusting
  - Floor maintenance
  - Necessary bathroom and kitchen cleaning
  - Changing of bed linens
  - Window washing
  - Laundry – washer and dryer available in Opus Select

apartments

4. Maintenance of buildings, grounds and furnished appliances
5. Medically-Related Services:
  - Access to Clinic services (extra charges may apply)
  - Health services in your unit in case of accident or temporary illness (some extra charges may apply)
  - Nursing care and physical assistance care as needed in designated Assisted Living units and in the Health Care Center (some extra charges may apply)
6. Incidentals:
  - Individual mailbox
  - Private dining room that may be reserved for special occasions (Bayfront Campus)
  - Craft rooms for ceramics, art, weaving, sewing, woodworking, etc. (members supply materials, Westminster-Canterbury provides tools) (Bayfront Campus)
  - Gardening areas
  - Social, recreational, health, educational and religious activities for those interested
  - Three swimming pools and additional facilities for exercise and health maintenance (Wellness)

**B. Other services provided at additional cost:**

**Below is a listing of additional charges, which may not be all-inclusive:**

- Health care services not listed above (e.g., most Clinic Hospitalization and Rehabilitation services) that are described at C below, most of the costs for which should be covered by a member's Medicare or other health care insurance program.
- Medications, special treatments, supplies, laboratory tests, and physician fees.
- Transportation, personal laundry, beauty shop, and some activity outings.
- Group travel for special cultural, social, sporting, and scenic excursions.
- Daily delivery of newspapers.
- Additional meals, guest meals and accommodations (see **Exhibit 1** for current charges.)
- Laundry services
- If the member fails to maintain a level of cleanliness and repair in their apartment acceptable to Opus Select, Opus Select has the right to

provide additional cleaning maintenance and repair services and charge the member for them.

**C. Health Care Services:**

Westminster-Canterbury offers an extensive array of health care services to its members. These include Clinic services, skilled and intermediate nursing care, Assisted Living arrangements for hospitalization, emergency services and other services. These services are described in more detail below. A high percentage of nursing care in the Health Care Center and other medical services costs are covered jointly by Medicare and a Medicare supplement policy carried by the member. Members are expected to carry Medicare Parts A & B or a supplemental health insurance policy. Members not eligible for Medicare will be expected to carry equivalent health insurance coverage at their own expense. When receiving nursing care in the Health Care Center and Memory Support Center, members must be served three meals a day. When insurance does not cover such charges, members will pay for the additional meals (See **Exhibit 1** for information concerning specific charges.)

1. Clinic Services:

All members of Westminster-Canterbury have complete freedom of choice in selecting a physician. For the convenience of members, Westminster-Canterbury has contracted with qualified physicians to hold regular hours for consultation in a variety of specialties. The charges for such visits are billed to the provider's Medicare and Third Party insurance. To the extent these charges are not covered by insurance, the member pays these charges. Laboratory services are available for routine tests and procedures and billed to Medicare, Third Party Insurance, or the member. Special screening clinics are held from time to time. These screening clinics are voluntary and typically held free of charge.

2. Skilled Nursing Services and Intermediate Care Services:

As a function of the continuum of care, some members may require skilled nursing or intermediate care services in the Health Care Center. Normally such services involve a short-term illness, a return to Westminster-Canterbury following a period of hospitalization, or on a continuing, long-term care basis. The Health Care Center is a skilled nursing facility licensed by the Virginia Department of Health. Skilled Nursing Facility medical and health care services provided in the Health Care Center will be billed to Medicare and the member's co-pay insurance carrier when appropriate. Members lacking Medicare or insurance coverage will receive an invoice for these services. Members who stay in Stone Rehab longer than their Medicare and/or

Managed Care skilled care requirements will be charged the standard skilled care room rate. Any ancillary charges will be billed privately as well. Members in the Health Care Center on a non-skilled, long-term care basis will be charged their monthly fee plus any additional ancillary charges. While in the Health Care Center, members will be charged for specialized equipment and supplies. Three meals are provided daily in the Health Care Center, and members will be billed for those meals not already covered by Medicare to the member's existing monthly meal plan.

3. Assisted Living:

Assisted Living provides a program of care for individuals that are appropriately assessed for that level of care, based on the Virginia Department of Social Services Uniform Assessment Instrument. This program of care will provide an environment that encourages wellness, independence, self-worth and enhances socialization. Twenty-four-hour assistance is available for certain aspects of members' care. Licensed nursing staff and/or certified nursing staff will provide this assistance.

Licensed nurses and/or certified medication aides administer medications in accordance with the physician' and physician extenders, instruction, and as indicated by the Uniform Assessment Instrument. Members who are dependent on medication administration will be required to obtain their medications through a pharmacy that provides unit dose packaging, which may incur an additional charge.

4. Services to Apartments:

a. Licensed Nurse Services:

A variety of services to members is available seven days a week. These services include professional nurse visits for emergency calls, medication administration and treatments as prescribed by your physician and response to an emergency medical situation. Some visits require a fee for service, while others are provided as a courtesy.

Guidelines for Emergency Nurse Fee for Non-Emergency Service Current rates available upon request:

- Members who receive treatments in the Clinic during the week may be charged on the weekends when an Emergency Nurse provides this service.
- Members with physician-ordered treatments that need to be administered in the apartment.
- Member follow-up care after leaving the hospital or Health Care Center against medical advice.
- Members who are not on the weekend treatment schedule and come to the Clinic for treatment will be charged.
- Members who request a non-emergency apartment visit.
- Members who do not come to the Clinic during scheduled medication administration times.
- Members who require the assistance of the nurse to coordinate physician interventions for a plan of treatment in a non-emergency situation.
- Medication delivery to your apartment.

b. Personal Care Assistant Services:

Personal Care Assistants are available through Westminster-Canterbury at Home for a fee for scheduled visits to provide limited assistance with activities of daily living such as bathing, dressing, laundry, and light meal prep.

5. Hospitalization:

Major surgery and many diagnostic and medical services will require hospitalization. Westminster-Canterbury has made agreements with area hospitals, two of which are located within five miles of Westminster-Canterbury, for the transfer of members needing hospitalization. Generally, such hospital and transportation costs are covered by insurance. To the extent not covered by insurance, the member pays these costs.

6. Other Services:

Physical therapy, occupational therapy, speech therapy and other special services are available by appointment and physician's order. The costs for such services are borne by Medicare and Third-Party Insurance and to the extent not covered, are borne by the member.

Additionally, to the extent that other services are not covered by Medicare or Third Party Insurance, the member pays for medicine,

drugs, vitamins, food supplements, dental work, glasses, hearing aids and other health-related items.

## **VIII. EES REQUIRED OF MEMBERS.**

### **A. Payment of Fees:**

#### **1. Entrance Fee:**

See **Exhibit 8** for current Entrance Fees. The Entrance Fee entitles the member to occupancy of an apartment at the appropriate level of care and use of all facilities. It is payable as follows:

- a. The Entrance Fee must be paid in full on or before the earlier of the following: (i) the member's assigned occupancy date, which date shall be not earlier than seven (7) days after the execution of the Member and Services Agreement by both the member and Westminster-Canterbury, or (ii) ninety (90) days after you sign the Member and Services Agreement.
- b. Generally, any rights to residential LifeCare benefits start at the age of 62.
- c. Westminster-Canterbury offers several Entrance Fee options for each apartment. The Entrance Fee for a given apartment varies based on which refund option and/or medical assistance option the member selects. These options are outlined in the Appendices to the Member and Services Agreement that is attached hereto as **Exhibit 7**. While the refund policies for Entrance Fees and Monthly Fees are outlined principally in the Appendices to the Member and Services Agreement, they also are discussed in Articles II, VI, VII, IX and XII of the Member and Services Agreement. Once an applicant has agreed in a Member and Services Agreement to pay a particular Entrance Fee, there are no provisions for adjusting that Entrance Fee unless (i) another person takes up residence in the member's apartment, (ii) the member moves to another apartment, or (iii) unless otherwise required by State or Federal assistance programs. The Entrance Fee to be charged to a new applicant may be adjusted from time to time prior to signing a Member and Services Agreement in order to account for economic and market fluctuations.
- d. Any part of the balance of the Entrance Fee that a prospective member pays to Westminster-Canterbury prior to the prospective member's assigned occupancy date will be placed in an escrow account with a bank selected by Westminster-Canterbury. The escrowed funds are not subject to claims of

Westminster-Canterbury's creditors. The bank may not release the prospective member's escrowed funds except in accordance with the escrow agreement governing that account and the terms set forth below. The principal balance of any such advance payment will not be released to Westminster-Canterbury until the prospective member moves into the community or until Westminster-Canterbury or Opus Select makes a suitable apartment available on or after the prospective member's assigned occupancy date, whichever is earlier.

The principal balance of any such advance payment will be released to the prospective member:

- i. if such amount is still on deposit with the escrow agent on the date three years after such was deposited with the escrow agent (the "Deposit Date") or such later date (not later than six years after the Deposit Date without the express written approval of Virginia's State Corporation Commission) as is expressly agreed to in writing by the prospective member and Westminster-Canterbury, but only if such agreement is entered into at least two years after the Deposit Date and if the escrow agent has received written notice thereof;
- ii. if the prospective member dies before his assigned occupancy date and such amount has not become the property of a co-member pursuant to the terms of the Member and Services Agreement of the prospective member; or
- iii. if the Member and Services Agreement has been rescinded prior to the prospective member's assigned occupancy date without liability pursuant to the terms thereof or pursuant to Title 38.1, Chapter 31, Code of Virginia 1950, as amended, and such amount has not become the property of a co-member pursuant to the terms of the Member and Services Agreement of prospective member.

The escrow agent will be entitled to deduct reasonable charges for its services from the income generated by the escrowed funds. If this income is insufficient to cover all charges, then on a pro-rata basis from the principal balance of such prospective member's advance payments.

2. Monthly Fees:

See **Exhibit 8**, attached, for current Monthly Fees. Monthly Fees

charged to a member may be adjusted by Westminster-Canterbury after giving thirty (30) days advance notice to that member or as otherwise required by State or Federal programs. These monthly fees will be collected by Opus Select as rent payments under your corresponding lease agreement with Senior Options Community LLC dba Opus Select. Westminster- Canterbury will endeavor to maintain Monthly Fees as low as reasonably possible without sacrificing the quality of services, the maintenance of the facilities and sound financial practices. **Exhibit 3** describes all changes in Monthly Fees and average amounts of increases over the past five years (minimum).

3. Health Care Center Charges:

Generally, the charges for skilled nursing care, Clinic and some limited nursing care services provided to a member are paid by Medicare, Blue Cross/Blue Shield, or some other third-party insurer of the member. In those limited instances where some of the charges are not covered by such third parties, the member shall be responsible for the payment of those charges not otherwise covered. Those health services charges that are set by the provider (e.g., Assisted Living Services and Health Care Center room charges, meal charges and health care services provided by employees of the provider) may be adjusted by the provider from time to time by giving 30 days prior notice of such charges or notice otherwise required by State and Federal programs. Health care charges are not "periodic charges" or "recurring fees" since they are not incurred regularly and their amount and duration are highly dependent upon the member's medical needs. On average, however, charges for health care services controlled by the provider have not increased by more than 10% per year since the provider began operating the community.

**IX. RESERVE FUNDING.**

A debt service reserve fund with an amount in excess of the maximum annual debt service (principal and interest payments) on the Series 1999A, 2004A, 2004B and 2005 bonds was required to be held in trust by U.S. Bank. As these bonds were paid in full during the 2015 fiscal year, the debt service reserve fund was no longer required and therefore had a zero balance since September 30, 2019.

**X. CERTIFIED FINANCIAL STATEMENTS FOR LAST TWO FISCAL YEARS.**

The certified Consolidated Financial Statements and Supplementary Information for the two most recent fiscal years ended, with the Independent Auditors' Report, are attached as **Exhibits 4**.



**XI. PRO FORMA INCOME STATEMENT FOR CURRENT YEAR.**

Attached as **Exhibit 5** is a pro forma schedule of income and expenses projected for the current and prior years, with notes describing the major assumptions used in developing the pro forma statement. **Exhibit 6** is a schedule showing the prior fiscal year pro forma income statement compared to actual results explaining significant variances.

**XII. ANTICIPATED SOURCE AND APPLICATION OF PURCHASE OR CONSTRUCTION FUNDS.**

Westminster-Canterbury opened for business on March 29, 1982. The information that normally would be contained in this section is required to be reported only for communities that have not yet commenced business and as such, is not applicable to Westminster-Canterbury.

**XIII. CRITERIA FOR ADMISSION OF NEW MEMBERS.**

Any rights to residential LifeCare benefits start at the age of 62. New members must meet the following general and specific physical and mental criteria:

A. General Criteria for Independent Living:

One must be able to perform without assistance from others all activities of daily living, including the ability to access the dining room for meals, negotiating all other necessary areas of the building and functioning compatibly at Westminster-Canterbury so that the member is contributing to and benefiting from the community.

B. Specific Criteria for Independent Living - Members Must:

1. Be able to access the dining room or provide own nourishment.
2. Be able to operate the washers and dryers. Private domestic help may be hired, if this is by choice and not a necessity, in adherence with Westminster-Canterbury's policies.
3. Attend to light housekeeping such as making a bed, washing dishes, keeping the apartment tidy, keep refrigerator contents "current" and not overloaded. Members may hire domestic help for these services at their own expense in adherence with Westminster- Canterbury's policies, if by choice and not a necessity.

4. Dress appropriately and be able to maintain their personal hygiene at a socially acceptable and healthy level.
5. Make provision for their own transportation.
6. Handle their own business affairs or make provision for proper handling.
7. Be in physical and mental condition, which would normally enable them to initiate emergency help if needed in their apartments and to react promptly and intelligently to fire alarms or other disaster signals.
8. Be able to use kitchen equipment intelligently and safely.
9. Be able to use apartment facilities without extensive physical changes.
10. Maintain reasonable mental, physical and emotional behavior appropriate to community living. Examples of inappropriate behavior would be: knocking on a neighbor's door in the middle of the night for a non-emergency, excessive calling on neighbors for help, making disturbances in corridors or other public areas of the building, etc.
11. Be able to negotiate the building adequately, managing elevators, doors and other customary environmental barriers.
12. Be mentally capable of keeping abreast of rules and regulations of the community with respect to safety, security and other necessary directives for community living.
13. Be continent of bowel and bladder.
14. Not have a high risk of early or prolonged need for health care services as judged by evaluation of medical reports and examinations.
15. Display compatibility with communal living.

Additionally, new members must demonstrate the financial wherewithal to provide the following sums:

- a. Entrance Fee.
- b. Monthly Fee.

If an applicant does not have the above sums available, he may be granted or approved to receive Financial Assistance by Westminster-Canterbury for admission. (Bayfront Campus)

Section VII B of the Member and Services Agreement sets forth the provider's criteria for new members if a member marries a non-resident.

**XIV. ACCESS TO COMMUNITY BY NON-RESIDENT:**

A. Guests:

The third paragraph on page two (2) of the Member and Services Agreement sets forth the policy concerning visitors:

"You will be free to invite guests to your apartment for daily and overnight visits. Westminster-Canterbury will maintain guest rooms for your use on a first-come, first-serve basis at a reasonable rate. Westminster-Canterbury reserves the right to make rules regarding visits and guest behavior and may limit or terminate a visit at any time for reasons it deems appropriate."

In addition, Paragraph B, on the same page provides:

"You may purchase additional meals for yourself and your guests at the guest meal rates then in effect."

B. Special Functions:

Westminster-Canterbury, from time to time, will schedule special functions and events by outside organizations for the benefit of members and/or staff.

C. Health Care Center and Assisted Living Facilities:

Westminster-Canterbury members have priority access for admission to the Health Care and Assisted Living Facilities. To the extent, space is available; other outside community members may utilize these facilities.

**XV. SPECIAL INFORMATION REQUIRED BY COMMONWEALTH.**

None at present.

**XVI. PROCEDURE FOR MEMBER TO FILE A COMPLAINT OR DISCLOSE CONCERNS.**

**Exhibit 9** is a copy of a form that is completed by each member upon entrance to Westminster-Canterbury Contract. The form is an acknowledgment of the member's receipt of The Resident Bill of Rights (**Exhibit 10**) and of the member's understanding of the grievance procedure. The Bill of Rights is posted within the community and a review is held annually. Members are invited to attend this review. In addition, copies

of The Bill of Rights are available to everyone in our Library.

Members are also encouraged to communicate grievances and concerns. There are several avenues through which this can occur: i.e., one-to-one conversation with a staff member, Resident committees, Resident Association and the Resident Relations Committee of the Board of Trustees.

**EXHIBIT 1**

**CHARGES EFFECTIVE OCTOBER 1, 2023**

**Resident Meal Plans**

<b><u>Monthly Meal Plans:</u></b>	
Additional 60 meals per month (available only to Healthcare residents)	\$ 380.40
Absence Credit	(\$6.42) per day (minimum of 28 consecutive days)
Reduced Away Credit	(\$3.88)
<b><u>Quarterly Flexible Dollar Meal Plans:</u></b>	
\$1,344 per quarter flexible dollars (included in monthly fee) (represents 91 meals * \$14.77 Beach Front dining room average menu price)	(included)
\$812 per quarter flexible dollars (credit toward monthly fee) (represents 55 meals * \$14.77 Beach Front dining room average menu price)	\$ (77.04)
\$1,757 per quarter flexible dollar supplemental add-on option – available to Enhanced Service residents only	\$63.00

**Guest Rooms**

Urchin Road Condo (daily rate, minimum of 2 nights)	\$250.00
Guest room suite with breakfast (taxes not included)	\$150.00
Guest room with breakfast (taxes not included)	\$120.00
Daily Cot Rate	\$ 20.00

**EXHIBIT 2**

**DAILY ROOM RATES FOR RESIDENTIAL CARE SERVICES**

	<b>Effect. 10/1/19</b>	<b>Effect. 10/1/20</b>	<b>Effect. 10/1/21</b>	<b>Effect. 10/1/22</b>	<b>Effect. 10/1/23</b>
<b>HEALTH CARE</b>					
Intermediate Private – Cape Henry	N/A	N/A	N/A	\$417	\$437
Intermediate Private – All Others	\$411	\$411	\$411	\$411	\$433
Intermediate Suite	\$354	\$354	\$354	\$354	\$370
Skilled Private	\$558	\$558	\$558	\$558	\$558
<b>ENHANCED SERVICES</b>					
Studio	\$257	\$257	\$257	\$272	\$285
1 Bedroom	\$272	\$272	\$272	\$288	\$302
(2 <sup>nd</sup> person)	\$139	\$139	\$139	\$147	\$154
Memory Impaired	\$302	\$302	\$302	\$320	\$336

**EXHIBIT 3**

**HISTORICAL FEE INCREASES**

<b><u>Fiscal Year</u></b>	<b><u>Monthly Fees</u></b>	<b><u>Entrance Fees</u></b>
2015	2.86%	0%-4%
2016	3.94%	3%-5%
2017	3.89%	Avg. 4.9%
2018	3.78%	1.9%-6.6%
2019	4.20%	2.0%-8.0%
2020	4.81%	2.0%-5.0%
2021	4.24%	3.0%-5.0%
2022	1.35%	5%
2023	6.54%	3%-7%
2024	4.70%	

See following pages for details on specific apartments.

**INDEPENDENT LIVING  
MONTHLY FEES**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	2,688	2,802	2,840	3,026	3,168
Pearl	Studio	432	N/A	N/A	3,040	3,239	3,168
Chesapeake	Master Studio	532	2,965	3,091	3,133	3,338	3,495
Dolphin	Master Studio	567	3,100	3,231	3,275	3,489	3,653
Egret Premier	One Bedroom	708	3,600	3,753	3,804	4,053	4,243
Egret	One Bedroom	708	3,268	3,407	3,453	3,679	3,852
Starfish	One Bedroom	714	3,614	3,767	3,818	4,068	4,259
Seagull Premier	One Bedroom	761	3,789	3,950	4,003	4,265	4,465
Seagull	One Bedroom	761	3,439	3,585	3,633	3,871	4,053
Sandpiper	One Bedroom	864	4,152	4,328	4,386	4,673	4,893
Heron	Two Bedroom	919	4,308	4,491	4,552	4,850	5,078
Islander	Two Bedroom	899	4,327	4,510	4,571	4,870	5,099
Nautilus	Two Bedroom	1,018	4,711	4,911	4,977	5,302	5,551
Windsurfer	Two Bedroom	1,145	5,038	5,176	5,323	5,671	5,938
Seagret	Two Bedroom	XXX	5,908	6,158	6,241	6,649	6,962
Skipjack	Two Bedroom	1,328	5,764	6,008	6,089	6,487	N/A
Villa	A	1,350	5,447	5,678	5,755	6,131	6419
Villa	B	1,350	5,447	5,678	5,755	6,131	6419
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	3,040	3,239	3,391
Dolphin Premier	One Bedroom	XXX	N/A	N/A	3,450	3,676	3,849
Latitude	One Bedroom	1,009	4,508	4,699	4,762	5,073	5,311
Crane	One Bedroom	1,009	4,702	4,901	4,967	5,292	5,541
Crane Premium	One Bedroom	1,009	4,702	4,901	4,967	5,292	5,541
Lookout	One Bedroom	1,125	5,035	5,248	5,319	5,667	5,933
Schooner	One Bedroom	1,125	5,035	5,248	5,319	5,667	5,933
Lynnhaven	Two Bedroom	1,190	5,256	5,479	5,553	5,916	6,194
Osprey Value	Two Bedroom	1,190	5,256	5,479	5,553	5,916	6,194
Osprey	Two Bedroom	1,190	5,479	5,711	5,788	6,167	6,457
Osprey Pemium	Two Bedroom	1,190	5,479	5,711	5,788	6,167	6,457
Longitude	Two Bedroom	1,427	6,029	6,285	6,370	6,787	7,106
Spinnaker	Two Bedroom	1,427	6,287	6,554	6,642	7,076	7,409
Spinnaker Premium East	Two Bedroom	1,427	6,287	6,554	6,642	7,076	7,409
Spinnaker Premium West	Two Bedroom	1,427	6,287	6,554	6,642	7,076	7,409
Clipper	Two Bedroom	1,557	6,473	6,747	6,838	7,285	7,627
Lighthouse	Two Bedroom	1,659	6,382	6,653	6,743	7,184	7,522
Dockside	Two Bedroom	1,659	6,653	6,935	7,029	7,489	7,841
Dockside Premium East	Two Bedroom	1,659	6,653	6,935	7,029	7,489	7,841
Dockside Premium West	Two Bedroom	1,659	6,653	6,935	7,029	7,489	7,841
Mooring	Two Bedroom	1,677	6,763	7,050	7,145	7,612	7,970
Lesner	Two Bedroom	1,688	6,546	6,824	6,916	7,368	7,714
Galleon	Two Bedroom	1,688	6,824	7,113	7,209	7,680	8,041
Galleon Premium	Two Bedroom	1,688	6,824	7,113	7,209	7,680	8,041
Mariner	Two Bedroom	1,756	6,546	6,824	6,916	7,368	7,714
Sailfish	Two Bedroom	1,773	6,937	7,231	7,329	7,808	8,175
Marlin	Two Bedroom	1,841	7,291	7,600	7,703	8,207	8,593
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	1,409	1,469	1,489	1,586	1,661



**ENTRANCE FEES  
STANDARD CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	158,000	162,700	170,800	175,900	181,200
Pearl	Studio	432	N/A	N/A	199,000	205,000	181,200
Chesapeake	Master Studio	532	194,600	200,400	210,400	216,700	223,200
Dolphin	Master Studio	567	206,500	212,700	223,300	230,000	236,900
Egret Premier	One Bedroom	708	305,900	315,100	330,900	347,400	361,300
Egret	One Bedroom	708	248,200	255,600	268,400	281,800	293,100
Starfish	One Bedroom	714	330,000	339,900	356,900	374,700	389,700
Seagull Premier	One Bedroom	761	339,500	349,700	367,200	385,600	401,000
Seagull	One Bedroom	761	291,100	299,800	314,800	330,500	343,700
Sandpiper	One Bedroom	864	376,100	387,400	406,800	427,100	444,200
Heron	Two Bedroom	919	437,000	450,100	472,600	496,200	516,000
Islander	Two Bedroom	899	437,100	450,200	472,700	496,300	516,200
Nautilus	Two Bedroom	1,018	440,400	453,600	476,300	500,100	520,100
Windsurfer	Two Bedroom	1,145	500,600	515,600	541,400	568,500	591,200
Seagret	Two Bedroom	XXX	N/A	502,900	528,000	554,400	576,600
Skipjack	Two Bedroom	1,328	546,700	563,100	591,300	620,900	N/A
Villa	A	1,350	529,200	545,100	572,400	601,000	N/A
Villa	B	1,350	516,300	531,800	558,400	586,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	199,500	213,500	226,300
Dolphin Premier	One Bedroom	XXX	N/A	N/A	250,000	267,500	283,600
Latitude	One Bedroom	1,009	365,800	376,800	395,600	423,300	448,700
Crane	One Bedroom	1,009	400,700	412,700	433,300	463,600	491,400
Crane Premium	One Bedroom	1,009	471,900	486,100	510,400	546,100	578,900
Lookout	One Bedroom	1,125	380,400	391,800	411,400	440,200	466,600
Schooner	One Bedroom	1,125	434,300	447,300	469,700	502,600	532,800
Lynnhaven	Two Bedroom	1,190	402,600	414,700	435,400	465,900	493,900
Osprey Value	Two Bedroom	1,190	447,500	460,900	483,900	517,800	548,900
Osprey	Two Bedroom	1,190	454,700	468,300	491,700	526,100	557,700
Osprey Pemium	Two Bedroom	1,190	521,400	537,000	563,900	603,400	639,600
Longitude	Two Bedroom	1,427	424,900	437,600	459,500	491,700	521,200
Spinnaker	Two Bedroom	1,427	510,600	525,900	552,200	590,900	626,400
Spinnaker Premium East	Two Bedroom	1,427	618,000	636,500	668,300	715,100	758,000
Spinnaker Premium West	Two Bedroom	1,427	687,500	708,100	743,500	795,500	843,200
Clipper	Two Bedroom	1,557	717,500	739,000	776,000	830,300	880,100
Lighthouse	Two Bedroom	1,659	514,600	530,000	556,500	595,500	631,200
Dockside	Two Bedroom	1,659	580,400	597,800	627,700	671,600	711,900
Dockside Premium East	Two Bedroom	1,659	691,500	712,200	747,800	800,100	848,100
Dockside Premium West	Two Bedroom	1,659	782,400	805,900	846,200	905,400	959,700
Mooring	Two Bedroom	1,677	608,300	626,500	657,800	703,800	746,000
Lesner	Two Bedroom	1,688	503,600	518,700	544,600	582,700	617,700
Galleon	Two Bedroom	1,688	590,600	608,300	638,700	683,400	724,400
Galleon Premium	Two Bedroom	1,688	707,300	728,500	764,900	818,400	867,500
Mariner	Two Bedroom	1,756	531,800	547,800	575,200	615,500	652,400
Sailfish	Two Bedroom	1,773	896,800	923,700	969,900	1,037,800	1,100,100
Marlin	Two Bedroom	1,841	896,800	923,700	969,900	1,037,800	1,100,100
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	72,100	74,300	78,000	81,900	86,000

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**HIGH ENTRANCE FEE - LOW MONTHLY FEE**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	234,700	242,000	249,400	255,400	267,300
Pearl	Studio	432	N/A	N/A	283,100	290,100	267,300
Chesapeake	Master Studio	532	279,100	287,900	297,100	304,400	318,100
Dolphin	Master Studio	567	294,900	304,100	313,900	321,700	336,100
Egret Premier	One Bedroom	708	408,500	421,400	436,200	453,900	476,500
Egret	One Bedroom	708	341,400	352,000	364,000	378,500	397,600
Starfish	One Bedroom	714	433,100	446,500	462,600	481,600	505,400
Seagull Premier	One Bedroom	761	447,500	461,500	478,000	497,600	522,200
Seagull	One Bedroom	761	389,200	401,300	415,400	432,100	453,800
Sandpiper	One Bedroom	864	494,400	510,000	528,100	549,900	577,100
Heron	Two Bedroom	919	559,900	577,200	598,500	623,600	653,900
Islander	Two Bedroom	899	560,400	577,900	599,100	624,200	654,700
Nautilus	Two Bedroom	1,018	574,700	592,600	613,900	639,300	670,800
Windsurfer	Two Bedroom	1,145	644,300	664,200	688,700	717,400	752,500
Seagret	Two Bedroom	XXX	N/A	677,300	700,600	715,400	765,600
Skipjack	Two Bedroom	1,328	711,000	733,200	759,800	811,700	N/A
Villa	A	1,350	686,300	705,900	733,600	762,000	N/A
Villa	B	1,350	669,600	692,600	715,600	747,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	283,600	298,600	318,300
Dolphin Premier	One Bedroom	XXX	N/A	N/A	345,500	364,000	388,100
Latitude	One Bedroom	1,009	494,400	509,800	527,300	556,600	592,900
Crane	One Bedroom	1,009	534,700	551,400	570,700	602,500	641,800
Crane Premium	One Bedroom	1,009	605,900	624,800	647,800	685,000	729,300
Lookout	One Bedroom	1,125	523,900	540,400	558,600	589,000	627,700
Schooner	One Bedroom	1,125	577,800	595,900	616,900	651,400	693,900
Lynnhaven	Two Bedroom	1,190	552,400	569,800	589,100	621,300	662,100
Osprey Value	Two Bedroom	1,190	597,300	616,000	637,600	673,200	717,100
Osprey	Two Bedroom	1,190	610,900	629,900	651,900	688,000	732,900
Osprey Pemium	Two Bedroom	1,190	677,600	698,600	724,100	765,300	814,800
Longitude	Two Bedroom	1,427	596,800	615,500	635,700	669,900	714,100
Spinnaker	Two Bedroom	1,427	689,800	711,400	735,900	776,700	827,600
Spinnaker Premium East	Two Bedroom	1,427	797,200	822,000	833,400	900,900	959,200
Spinnaker Premium West	Two Bedroom	1,427	866,700	893,600	947,900	981,300	1,044,400
Clipper	Two Bedroom	1,557	902,100	929,900	965,200	1,021,600	1,087,100
Lighthouse	Two Bedroom	1,659	696,500	718,400	743,100	784,200	835,400
Dockside	Two Bedroom	1,659	770,100	794,100	822,200	868,300	924,700
Dockside Premium East	Two Bedroom	1,659	881,200	908,500	942,300	996,800	1,060,900
Dockside Premium West	Two Bedroom	1,659	972,100	1,002,300	1,040,700	1,102,100	1,172,500
Mooring	Two Bedroom	1,677	801,200	826,000	855,500	903,700	962,400
Lesner	Two Bedroom	1,688	690,200	711,900	735,900	776,300	827,200
Galleon	Two Bedroom	1,688	785,200	809,700	838,200	885,100	942,700
Galleon Premium	Two Bedroom	1,688	901,900	929,900	964,400	1,020,100	1,085,800
Mariner	Two Bedroom	1,756	718,400	741,000	766,500	809,100	861,900
Sailfish	Two Bedroom	1,773	1,094,500	1,128,300	1,173,100	1,242,900	1,322,000
Marlin	Two Bedroom	1,841	1,104,600	1,138,800	1,183,100	1,253,300	1,333,400
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	72,100	74,300	78,000	81,900	86,000

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**LOW ENTRANCE FEE - HIGH MONTHLY FEE**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	87,800	90,100	99,600	104,100	109,300
Pearl	Studio	432	N/A	N/A	124,100	129,500	109,300
Chesapeake	Master Studio	532	118,900	121,900	133,600	139,300	146,300
Dolphin	Master Studio	567	127,500	131,000	143,300	149,400	156,900
Egret Premier	One Bedroom	708	219,600	225,500	243,600	260,200	273,200
Egret	One Bedroom	708	167,400	171,900	186,600	199,900	209,900
Starfish	One Bedroom	714	245,100	252,000	271,300	289,200	303,700
Seagull Premier	One Bedroom	761	250,000	256,900	276,900	295,500	310,300
Seagull	One Bedroom	761	208,400	214,200	231,300	247,200	259,600
Sandpiper	One Bedroom	864	278,400	286,000	308,300	328,600	345,000
Heron	Two Bedroom	919	339,200	348,800	374,400	398,300	418,200
Islander	Two Bedroom	899	338,900	348,300	374,000	397,900	417,800
Nautilus	Two Bedroom	1,018	330,600	339,800	365,800	389,800	409,300
Windsurfer	Two Bedroom	1,145	385,500	396,400	425,600	453,200	475,900
Seagret	Two Bedroom	XXX	N/A	354,800	383,800	424,900	446,100
Skipjack	Two Bedroom	1,328	413,000	424,400	456,600	464,500	N/A
Villa	A	1,350	401,900	415,000	444,100	475,200	N/A
Villa	B	1,350	392,000	400,700	433,300	459,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	124,600	138,700	145,000
Dolphin Premier	One Bedroom	XXX	N/A	N/A	166,900	184,700	193,400
Latitude	One Bedroom	1,009	256,200	263,300	285,000	313,200	328,900
Crane	One Bedroom	1,009	288,000	295,900	319,600	350,700	368,300
Crane Premium	One Bedroom	1,009	364,900	375,200	402,800	439,800	462,800
Lookout	One Bedroom	1,125	255,900	262,700	285,300	314,700	329,900
Schooner	One Bedroom	1,125	314,100	322,600	348,300	382,100	401,400
Lynnhaven	Two Bedroom	1,190	273,000	280,400	304,200	335,300	351,800
Osprey Value	Two Bedroom	1,190	321,500	330,300	356,600	391,400	411,200
Osprey	Two Bedroom	1,190	322,400	331,200	358,000	393,300	413,100
Osprey Pemium	Two Bedroom	1,190	394,400	405,400	436,000	476,800	501,600
Longitude	Two Bedroom	1,427	273,200	280,500	306,000	338,600	354,600
Spinnaker	Two Bedroom	1,427	357,900	367,600	398,000	437,500	459,200
Spinnaker Premium East	Two Bedroom	1,427	473,900	487,100	543,500	571,600	601,300
Spinnaker Premium West	Two Bedroom	1,427	549,000	564,400	582,200	658,500	693,400
Clipper	Two Bedroom	1,557	575,500	591,900	633,700	690,100	726,900
Lighthouse	Two Bedroom	1,659	359,300	368,900	399,500	439,300	461,200
Dockside	Two Bedroom	1,659	422,000	433,600	467,900	512,900	539,000
Dockside Premium East	Two Bedroom	1,659	541,900	557,200	597,600	651,700	686,100
Dockside Premium West	Two Bedroom	1,659	640,100	658,300	703,800	765,400	806,700
Mooring	Two Bedroom	1,677	448,600	461,200	496,900	544,200	572,000
Lesner	Two Bedroom	1,688	342,400	351,500	381,600	420,200	440,900
Galleon	Two Bedroom	1,688	427,700	439,500	474,300	520,200	546,600
Galleon Premium	Two Bedroom	1,688	553,700	569,300	610,600	666,000	701,100
Mariner	Two Bedroom	1,756	372,800	383,000	414,600	455,700	478,300
Sailfish	Two Bedroom	1,773	755,000	776,600	828,000	899,300	948,500
Marlin	Two Bedroom	1,841	744,100	765,300	817,200	888,100	936,100
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	72,100	74,300	78,000	81,900	86,000

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**50 MONTH DECLINING BALANCE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	166,700	171,600	180,200	185,600	191,200
Pearl	Studio	432	N/A	N/A	209,900	216,300	191,200
Chesapeake	Master Studio	532	205,300	211,400	222,000	228,600	235,500
Dolphin	Master Studio	567	217,900	224,400	235,600	242,700	249,900
Egret Premier	One Bedroom	708	322,700	332,400	349,100	366,500	381,200
Egret	One Bedroom	708	261,900	269,700	283,200	297,300	309,200
Starfish	One Bedroom	714	348,200	358,600	376,500	395,300	411,100
Seagull Premier	One Bedroom	761	358,200	368,900	387,400	406,800	423,100
Seagull	One Bedroom	761	307,100	316,300	332,100	348,700	362,600
Sandpiper	One Bedroom	864	396,800	408,700	429,200	450,600	468,600
Heron	Two Bedroom	919	461,000	474,900	498,600	523,500	544,400
Islander	Two Bedroom	899	461,100	475,000	498,700	523,600	544,600
Nautilus	Two Bedroom	1,018	464,600	478,500	502,500	527,600	548,700
Windsurfer	Two Bedroom	1,145	528,100	544,000	571,200	599,800	623,700
Seagret	Two Bedroom	XXX	N/A	530,600	557,000	584,900	608,300
Skipjack	Two Bedroom	1,328	576,800	594,100	623,800	655,000	N/A
Villa	A	1,350	558,300	575,100	603,900	634,100	N/A
Villa	B	1,350	544,700	561,000	589,100	618,500	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	210,500	225,200	238,700
Dolphin Premier	One Bedroom	XXX	N/A	N/A	263,800	282,000	299,200
Latitude	One Bedroom	1,009	385,900	397,500	417,400	446,600	473,400
Crane	One Bedroom	1,009	422,700	435,400	457,100	489,100	518,400
Crane Premium	One Bedroom	1,009	497,900	512,800	538,500	576,100	610,700
Lookout	One Bedroom	1,125	401,300	413,300	434,000	464,400	492,300
Schooner	One Bedroom	1,125	458,200	471,900	495,500	530,200	562,100
Lynnhaven	Two Bedroom	1,190	424,700	437,500	459,300	491,500	521,100
Osprey Value	Two Bedroom	1,190	472,100	486,200	510,500	546,300	579,100
Osprey	Two Bedroom	1,190	479,700	494,100	518,700	555,000	588,400
Osprey Pemium	Two Bedroom	1,190	550,100	566,500	594,900	636,600	674,800
Longitude	Two Bedroom	1,427	448,300	461,700	484,800	518,700	549,900
Spinnaker	Two Bedroom	1,427	538,700	554,800	582,600	623,400	660,900
Spinnaker Premium East	Two Bedroom	1,427	652,000	671,500	705,100	754,400	799,700
Spinnaker Premium West	Two Bedroom	1,427	725,300	747,000	784,400	839,300	889,600
Clipper	Two Bedroom	1,557	757,000	779,600	818,700	876,000	928,500
Lighthouse	Two Bedroom	1,659	542,900	559,200	587,100	628,300	665,900
Dockside	Two Bedroom	1,659	612,300	630,700	662,200	708,500	751,100
Dockside Premium East	Two Bedroom	1,659	729,500	751,400	788,900	844,100	894,700
Dockside Premium West	Two Bedroom	1,659	825,400	850,200	892,700	955,200	1,012,500
Mooring	Two Bedroom	1,677	641,800	661,000	694,000	742,500	787,000
Lesner	Two Bedroom	1,688	531,300	547,200	574,600	614,700	651,700
Galleon	Two Bedroom	1,688	623,100	641,800	673,800	721,000	764,200
Galleon Premium	Two Bedroom	1,688	746,200	768,600	807,000	863,400	915,200
Mariner	Two Bedroom	1,756	561,000	577,900	606,800	649,400	688,300
Sailfish	Two Bedroom	1,773	946,100	974,500	1,023,200	1,094,900	1,160,600
Marlin	Two Bedroom	1,841	946,100	974,500	1,023,200	1,094,900	1,160,600
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	94,900	105,700	111,000	116,600	122,400

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**180 DAYS LIMITED HEALTHCARE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	124,000	128,700	135,100	141,900	147,200
Pearl	Studio	432	N/A	N/A	165,000	171,000	147,200
Chesapeake	Master Studio	532	160,600	166,400	174,700	182,700	189,200
Dolphin	Master Studio	567	172,500	178,700	187,600	196,000	202,900
Egret Premier	One Bedroom	708	271,900	281,100	295,200	313,400	327,300
Egret	One Bedroom	708	214,200	221,600	232,700	247,800	259,100
Starfish	One Bedroom	714	296,000	305,900	321,200	340,700	355,700
Seagull Premier	One Bedroom	761	305,500	315,700	331,500	351,600	367,000
Seagull	One Bedroom	761	257,100	265,800	279,100	296,500	309,700
Sandpiper	One Bedroom	864	342,100	353,400	371,100	393,100	410,200
Heron	Two Bedroom	919	403,000	416,100	436,900	462,200	482,000
Islander	Two Bedroom	899	403,100	416,200	437,000	462,300	482,200
Nautilus	Two Bedroom	1,018	406,400	419,600	440,600	466,100	486,100
Windsurfer	Two Bedroom	1,145	466,600	481,600	505,700	534,500	557,200
Seagret	Two Bedroom	XXX	N/A	468,900	492,300	520,400	542,600
Skipjack	Two Bedroom	1,328	512,700	529,100	555,600	586,900	N/A
Villa	A	1,350	495,200	511,100	536,700	567,000	N/A
Villa	B	1,350	482,300	497,800	522,700	552,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	165,500	179,500	192,300
Dolphin Premier	One Bedroom	XXX	N/A	N/A	216,000	233,500	249,600
Latitude	One Bedroom	1,009	331,800	342,800	359,900	389,300	414,700
Crane	One Bedroom	1,009	366,700	378,700	397,600	429,600	457,400
Crane Premium	One Bedroom	1,009	437,900	452,100	474,700	512,100	544,900
Lookout	One Bedroom	1,125	346,400	357,800	375,700	406,200	432,600
Schooner	One Bedroom	1,125	400,300	413,300	434,000	468,600	498,800
Lynnhaven	Two Bedroom	1,190	368,600	380,700	399,700	431,900	459,900
Osprey Value	Two Bedroom	1,190	413,500	426,900	448,200	483,800	514,900
Osprey	Two Bedroom	1,190	420,700	434,300	456,000	492,100	523,700
Osprey Pemium	Two Bedroom	1,190	487,400	503,000	528,200	569,400	605,600
Longitude	Two Bedroom	1,427	390,900	403,600	423,800	457,700	487,200
Spinnaker	Two Bedroom	1,427	476,600	491,900	516,500	556,900	592,400
Spinnaker Premium East	Two Bedroom	1,427	584,000	602,500	632,600	681,100	724,000
Spinnaker Premium West	Two Bedroom	1,427	653,500	674,100	707,800	761,500	809,200
Clipper	Two Bedroom	1,557	683,500	705,000	740,300	796,300	846,100
Lighthouse	Two Bedroom	1,659	480,600	496,000	520,800	561,500	597,200
Dockside	Two Bedroom	1,659	546,400	563,800	592,000	637,600	677,900
Dockside Premium East	Two Bedroom	1,659	657,500	678,200	712,100	766,100	814,100
Dockside Premium West	Two Bedroom	1,659	748,400	771,900	810,500	871,400	925,700
Mooring	Two Bedroom	1,677	574,300	592,500	622,100	669,800	712,000
Lesner	Two Bedroom	1,688	469,600	484,700	508,900	548,700	583,700
Galleon	Two Bedroom	1,688	556,600	574,300	603,000	649,400	690,400
Galleon Premium	Two Bedroom	1,688	673,300	694,500	729,200	784,400	833,500
Mariner	Two Bedroom	1,756	497,800	513,800	539,500	581,500	618,400
Sailfish	Two Bedroom	1,773	862,800	889,700	934,200	1,003,800	1,066,100
Marlin	Two Bedroom	1,841	862,800	889,700	934,200	1,003,800	1,066,100
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	48,000	50,200	52,700	58,400	61,900

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**365 DAYS LIMITED HEALTHCARE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	141,000	145,700	153,800	158,900	164,200
Pearl	Studio	432	N/A	N/A	182,000	188,000	164,200
Chesapeake	Master Studio	532	177,600	183,400	193,400	199,700	206,200
Dolphin	Master Studio	567	189,500	195,700	206,300	213,000	219,900
Egret Premier	One Bedroom	708	288,900	298,100	313,900	330,400	344,300
Egret	One Bedroom	708	231,200	238,600	251,400	264,800	276,100
Starfish	One Bedroom	714	313,000	322,900	339,900	357,700	372,700
Seagull Premier	One Bedroom	761	322,500	332,700	350,200	368,600	384,000
Seagull	One Bedroom	761	274,100	282,800	297,800	313,500	326,700
Sandpiper	One Bedroom	864	359,100	370,400	389,800	410,100	427,200
Heron	Two Bedroom	919	420,000	433,100	455,600	479,200	499,000
Islander	Two Bedroom	899	420,100	433,200	455,700	479,300	499,200
Nautilus	Two Bedroom	1,018	423,400	436,600	459,300	483,100	503,100
Windsurfer	Two Bedroom	1,145	483,600	498,600	524,400	551,500	574,200
Seagret	Two Bedroom	XXX	N/A	485,900	511,000	537,400	559,600
Skipjack	Two Bedroom	1,328	529,700	546,100	574,300	603,900	N/A
Villa	A	1,350	512,200	528,100	555,400	584,000	N/A
Villa	B	1,350	499,300	514,800	541,400	569,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	182,500	196,500	209,300
Dolphin Premier	One Bedroom	XXX	N/A	N/A	233,000	250,500	266,600
Latitude	One Bedroom	1,009	348,800	359,800	378,600	406,300	431,700
Crane	One Bedroom	1,009	383,700	395,700	416,300	446,600	474,400
Crane Premium	One Bedroom	1,009	454,900	469,100	493,400	529,100	561,900
Lookout	One Bedroom	1,125	363,400	374,800	394,400	423,200	449,600
Schooner	One Bedroom	1,125	417,300	430,300	452,700	485,600	515,800
Lynnhaven	Two Bedroom	1,190	385,600	397,700	418,400	448,900	476,900
Osprey Value	Two Bedroom	1,190	430,500	443,900	466,900	500,800	531,900
Osprey	Two Bedroom	1,190	437,700	451,300	474,700	509,100	540,700
Osprey Pemium	Two Bedroom	1,190	504,400	520,000	546,900	586,400	622,600
Longitude	Two Bedroom	1,427	407,900	420,600	442,500	474,700	504,200
Spinnaker	Two Bedroom	1,427	493,600	508,900	535,200	573,900	609,400
Spinnaker Premium East	Two Bedroom	1,427	601,000	619,500	651,300	698,100	741,000
Spinnaker Premium West	Two Bedroom	1,427	670,500	691,100	726,500	778,500	826,200
Clipper	Two Bedroom	1,557	700,500	722,000	759,000	813,300	863,100
Lighthouse	Two Bedroom	1,659	497,600	513,000	539,500	578,500	614,200
Dockside	Two Bedroom	1,659	563,400	580,800	610,700	654,600	694,900
Dockside Premium East	Two Bedroom	1,659	674,500	695,200	730,800	783,100	831,100
Dockside Premium West	Two Bedroom	1,659	765,400	788,900	829,200	888,400	942,700
Mooring	Two Bedroom	1,677	591,300	609,500	640,800	686,800	729,000
Lesner	Two Bedroom	1,688	486,600	501,700	527,600	565,700	600,700
Galleon	Two Bedroom	1,688	573,600	591,300	621,700	666,400	707,400
Galleon Premium	Two Bedroom	1,688	690,300	711,500	747,900	801,400	850,500
Mariner	Two Bedroom	1,756	514,800	530,800	558,200	598,500	635,400
Sailfish	Two Bedroom	1,773	879,800	906,700	952,900	1,020,800	1,083,100
Marlin	Two Bedroom	1,841	879,800	906,700	952,900	1,020,800	1,083,100
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	58,400	60,600	63,600	67,500	72,300

Entrance Fees are increased 8% per year for each year under age 62.

**ENTRANCE FEES**  
**80% REFUNDABLE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	N/A	N/A	400,000	395,800	407,700
Pearl	Studio	432	N/A	N/A	447,800	461,300	407,700
Chesapeake	Master Studio	532	N/A	N/A	486,900	487,600	502,200
Dolphin	Master Studio	567	N/A	N/A	515,100	517,500	533,000
Egret Premier	One Bedroom	708	N/A	N/A	750,800	781,700	812,900
Egret	One Bedroom	708	N/A	N/A	613,900	634,100	659,500
Starfish	One Bedroom	714	N/A	N/A	808,000	843,100	876,800
Seagull Premier	One Bedroom	761	N/A	N/A	830,500	867,600	902,300
Seagull	One Bedroom	761	N/A	N/A	715,700	743,600	773,300
Sandpiper	One Bedroom	864	N/A	N/A	917,400	961,000	999,500
Heron	Two Bedroom	919	N/A	N/A	1,061,600	1,116,500	1,161,000
Islander	Two Bedroom	899	N/A	N/A	1,061,900	1,116,700	1,161,500
Nautilus	Two Bedroom	1,018	N/A	N/A	1,069,700	1,125,200	1,170,200
Windsurfer	Two Bedroom	1,145	N/A	N/A	1,212,400	1,279,100	1,330,200
Seagret	Two Bedroom	XXX	N/A	N/A	1,183,200	1,247,400	1,297,400
Skipjack	Two Bedroom	1,328	N/A	N/A	1,321,800	1,397,000	N/A
Villa	A	1,350	N/A	N/A	1,485,700	1,352,300	N/A
Villa	B	1,350	N/A	N/A	1,454,400	1,319,200	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	448,900	480,400	509,200
Dolphin Premier	One Bedroom	XXX	N/A	N/A	562,500	601,900	638,100
Latitude	One Bedroom	1,009	N/A	N/A	892,900	952,400	1,009,600
Crane	One Bedroom	1,009	N/A	N/A	975,500	1,043,100	1,105,700
Crane Premium	One Bedroom	1,009	N/A	N/A	1,144,500	1,228,700	1,302,500
Lookout	One Bedroom	1,125	N/A	N/A	927,500	990,500	1,049,900
Schooner	One Bedroom	1,125	N/A	N/A	1,055,200	1,130,900	1,198,800
Lynnhaven	Two Bedroom	1,190	N/A	N/A	980,200	1,048,300	1,111,300
Osprey Value	Two Bedroom	1,190	N/A	N/A	1,086,500	1,165,100	1,235,000
Osprey	Two Bedroom	1,190	N/A	N/A	1,103,500	1,183,700	1,254,800
Osprey Pemium	Two Bedroom	1,190	N/A	N/A	1,261,700	1,357,700	1,439,100
Longitude	Two Bedroom	1,427	N/A	N/A	1,032,900	1,106,300	1,172,700
Spinnaker	Two Bedroom	1,427	N/A	N/A	1,236,200	1,329,500	1,409,400
Spinnaker Premium East	Two Bedroom	1,427	N/A	N/A	1,490,800	1,609,000	1,705,500
Spinnaker Premium West	Two Bedroom	1,427	N/A	N/A	1,655,600	1,789,900	1,897,200
Clipper	Two Bedroom	1,557	N/A	N/A	1,726,700	1,868,200	1,980,200
Lighthouse	Two Bedroom	1,659	N/A	N/A	1,245,600	1,339,900	1,420,200
Dockside	Two Bedroom	1,659	N/A	N/A	1,401,600	1,511,100	1,601,800
Dockside Premium East	Two Bedroom	1,659	N/A	N/A	1,665,000	1,800,200	1,908,200
Dockside Premium West	Two Bedroom	1,659	N/A	N/A	1,880,700	2,037,200	2,159,300
Mooring	Two Bedroom	1,677	N/A	N/A	1,467,800	1,583,600	1,678,500
Lesner	Two Bedroom	1,688	N/A	N/A	1,219,600	1,311,100	1,389,800
Galleon	Two Bedroom	1,688	N/A	N/A	1,425,900	1,537,700	1,629,900
Galleon Premium	Two Bedroom	1,688	N/A	N/A	1,702,600	1,841,400	1,951,900
Mariner	Two Bedroom	1,756	N/A	N/A	1,286,600	1,384,900	1,467,900
Sailfish	Two Bedroom	1,773	N/A	N/A	2,151,900	2,335,100	2,475,200
Marlin	Two Bedroom	1,841	N/A	N/A	2,151,900	2,335,100	2,475,200
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	N/A	N/A	204,500	214,700	225,400

Entrance Fees are increased 8% per year for each year under age 62.  
80% Refundable Contract offered as of October 1, 2021.

**ENHANCED SERVICES (DIRECT ADMISSION)  
STANDARD CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>ENHANCED SERVICES (ONE PERSON)</b>							
Angler	Studio	432					
Entrance Fee			158,000	162,700	170,800	175,900	181,200
Monthly Fee			8,193	8,541	8,657	9,224	9,658



**ENTRANCE FEES**  
**50% REFUNDABLE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	229,100	235,900	N/A	N/A	N/A
Pearl	Studio	432	N/A	N/A	N/A	N/A	N/A
Chesapeake	Master Studio	532	282,200	290,600	N/A	N/A	N/A
Dolphin	Master Studio	567	299,400	308,400	N/A	N/A	N/A
Egret Premier	One Bedroom	708	443,600	456,900	N/A	N/A	N/A
Egret	One Bedroom	708	359,900	370,600	N/A	N/A	N/A
Starfish	One Bedroom	714	478,500	492,900	N/A	N/A	N/A
Seagull Premier	One Bedroom	761	492,300	507,100	N/A	N/A	N/A
Seagull	One Bedroom	761	422,100	434,700	N/A	N/A	N/A
Sandpiper	One Bedroom	864	545,300	561,700	N/A	N/A	N/A
Heron	Two Bedroom	919	633,700	652,600	N/A	N/A	N/A
Islander	Two Bedroom	899	633,800	652,800	N/A	N/A	N/A
Nautilus	Two Bedroom	1,018	638,600	657,700	N/A	N/A	N/A
Windsurfer	Two Bedroom	1,145	725,900	747,600	N/A	N/A	N/A
Seagret	Two Bedroom	XXX	N/A	729,200	N/A	N/A	N/A
Skipjack	Two Bedroom	1,328	792,700	816,500	N/A	N/A	N/A
Villa	A	1,350	767,300	790,400	N/A	N/A	N/A
Villa	B	1,350	748,600	771,100	N/A	N/A	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	N/A	N/A	N/A
Dolphin Premier	One Bedroom	XXX	N/A	N/A	N/A	N/A	N/A
Latitude	One Bedroom	1,009	530,400	546,400	N/A	N/A	N/A
Crane	One Bedroom	1,009	581,000	598,400	N/A	N/A	N/A
Crane Premium	One Bedroom	1,009	684,300	704,800	N/A	N/A	N/A
Lookout	One Bedroom	1,125	551,600	568,100	N/A	N/A	N/A
Schooner	One Bedroom	1,125	629,700	648,600	N/A	N/A	N/A
Lynnhaven	Two Bedroom	1,190	583,800	601,300	N/A	N/A	N/A
Osprey Value	Two Bedroom	1,190	648,900	668,300	N/A	N/A	N/A
Osprey	Two Bedroom	1,190	659,300	679,000	N/A	N/A	N/A
Osprey Pemium	Two Bedroom	1,190	756,000	778,700	N/A	N/A	N/A
Longitude	Two Bedroom	1,427	616,100	634,500	N/A	N/A	N/A
Spinnaker	Two Bedroom	1,427	740,400	762,600	N/A	N/A	N/A
Spinnaker Premium East	Two Bedroom	1,427	896,100	922,900	N/A	N/A	N/A
Spinnaker Premium West	Two Bedroom	1,427	996,900	1,026,700	N/A	N/A	N/A
Clipper	Two Bedroom	1,557	1,040,400	1,071,600	N/A	N/A	N/A
Lighthouse	Two Bedroom	1,659	746,200	768,500	N/A	N/A	N/A
Dockside	Two Bedroom	1,659	841,600	866,800	N/A	N/A	N/A
Dockside Premium East	Two Bedroom	1,659	1,002,700	1,032,700	N/A	N/A	N/A
Dockside Premium West	Two Bedroom	1,659	1,134,500	1,168,600	N/A	N/A	N/A
Mooring	Two Bedroom	1,677	882,000	908,400	N/A	N/A	N/A
Lesner	Two Bedroom	1,688	730,200	752,100	N/A	N/A	N/A
Galleon	Two Bedroom	1,688	856,400	882,000	N/A	N/A	N/A
Galleon Premium	Two Bedroom	1,688	1,025,600	1,056,300	N/A	N/A	N/A
Mariner	Two Bedroom	1,756	771,100	794,300	N/A	N/A	N/A
Sailfish	Two Bedroom	1,773	1,300,400	1,339,400	N/A	N/A	N/A
Marlin	Two Bedroom	1,841	1,300,400	1,339,400	N/A	N/A	N/A
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	130,200	145,000	N/A	N/A	N/A

Entrance Fees are increased 8% per year for each year under age 62.  
50% Refundable Contract no longer as offered as of October 1, 2021.

**ENTRANCE FEES**  
**90% REFUNDABLE CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	308,100	317,300	N/A	N/A	N/A
Pearl	Studio	432	N/A	N/A	N/A	N/A	N/A
Chesapeake	Master Studio	532	379,500	390,800	N/A	N/A	N/A
Dolphin	Master Studio	567	402,700	414,800	N/A	N/A	N/A
Egret Premier	One Bedroom	708	596,500	614,400	N/A	N/A	N/A
Egret	One Bedroom	708	484,000	498,400	N/A	N/A	N/A
Starfish	One Bedroom	714	643,500	662,800	N/A	N/A	N/A
Seagull Premier	One Bedroom	761	662,000	681,900	N/A	N/A	N/A
Seagull	One Bedroom	761	567,600	584,600	N/A	N/A	N/A
Sandpiper	One Bedroom	864	733,400	755,400	N/A	N/A	N/A
Heron	Two Bedroom	919	852,200	877,700	N/A	N/A	N/A
Islander	Two Bedroom	899	852,300	877,900	N/A	N/A	N/A
Nautilus	Two Bedroom	1,018	858,800	884,500	N/A	N/A	N/A
Windsurfer	Two Bedroom	1,145	976,200	1,005,400	N/A	N/A	N/A
Seagret	Two Bedroom	XXX	N/A	980,700	N/A	N/A	N/A
Skipjack	Two Bedroom	1,328	1,066,100	1,098,000	N/A	N/A	N/A
Villa	A	1,350	1,031,900	1,062,900	N/A	N/A	N/A
Villa	B	1,350	1,006,800	1,037,000	N/A	N/A	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	N/A	N/A	N/A
Dolphin Premier	One Bedroom	XXX	N/A	N/A	N/A	N/A	N/A
Latitude	One Bedroom	1,009	713,300	734,800	N/A	N/A	N/A
Crane	One Bedroom	1,009	781,400	804,800	N/A	N/A	N/A
Crane Premium	One Bedroom	1,009	920,200	947,900	N/A	N/A	N/A
Lookout	One Bedroom	1,125	741,800	764,000	N/A	N/A	N/A
Schooner	One Bedroom	1,125	846,900	872,200	N/A	N/A	N/A
Lynnhaven	Two Bedroom	1,190	785,100	808,700	N/A	N/A	N/A
Osprey Value	Two Bedroom	1,190	872,600	898,800	N/A	N/A	N/A
Osprey	Two Bedroom	1,190	886,700	913,200	N/A	N/A	N/A
Osprey Pemium	Two Bedroom	1,190	1,016,700	1,047,200	N/A	N/A	N/A
Longitude	Two Bedroom	1,427	828,600	853,300	N/A	N/A	N/A
Spinnaker	Two Bedroom	1,427	995,700	1,025,500	N/A	N/A	N/A
Spinnaker Premium East	Two Bedroom	1,427	1,205,100	1,241,200	N/A	N/A	N/A
Spinnaker Premium West	Two Bedroom	1,427	1,340,600	1,380,800	N/A	N/A	N/A
Clipper	Two Bedroom	1,557	1,399,100	1,441,100	N/A	N/A	N/A
Lighthouse	Two Bedroom	1,659	1,003,500	1,033,500	N/A	N/A	N/A
Dockside	Two Bedroom	1,659	1,131,800	1,165,700	N/A	N/A	N/A
Dockside Premium East	Two Bedroom	1,659	1,348,400	1,388,800	N/A	N/A	N/A
Dockside Premium West	Two Bedroom	1,659	1,525,700	1,571,500	N/A	N/A	N/A
Mooring	Two Bedroom	1,677	1,186,200	1,221,700	N/A	N/A	N/A
Lesner	Two Bedroom	1,688	982,000	1,011,500	N/A	N/A	N/A
Galleon	Two Bedroom	1,688	1,151,700	1,186,200	N/A	N/A	N/A
Galleon Premium	Two Bedroom	1,688	1,379,200	1,420,600	N/A	N/A	N/A
Mariner	Two Bedroom	1,756	1,037,000	1,068,200	N/A	N/A	N/A
Sailfish	Two Bedroom	1,773	1,748,800	1,801,200	N/A	N/A	N/A
Marlin	Two Bedroom	1,841	1,748,800	1,801,200	N/A	N/A	N/A
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	175,000	194,800	N/A	N/A	N/A

Entrance Fees are increased 8% per year for each year under age 62.  
90% Refundable Contract no longer as offered as of October 1, 2021.

**ENTRANCE FEES**  
**80% REFUNDABLE FFS CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	158,000	162,700	N/A	N/A	N/A
Pearl	Studio	432	N/A	N/A	N/A	N/A	N/A
Chesapeake	Master Studio	532	194,600	200,400	N/A	N/A	N/A
Dolphin	Master Studio	567	206,500	212,700	N/A	N/A	N/A
Egret Premier	One Bedroom	708	305,900	315,100	N/A	N/A	N/A
Egret	One Bedroom	708	248,200	255,600	N/A	N/A	N/A
Starfish	One Bedroom	714	330,000	339,900	N/A	N/A	N/A
Seagull Premier	One Bedroom	761	339,500	349,700	N/A	N/A	N/A
Seagull	One Bedroom	761	291,100	299,800	N/A	N/A	N/A
Sandpiper	One Bedroom	864	376,100	387,400	N/A	N/A	N/A
Heron	Two Bedroom	919	437,000	450,100	N/A	N/A	N/A
Islander	Two Bedroom	899	437,100	450,200	N/A	N/A	N/A
Nautilus	Two Bedroom	1,018	440,400	453,600	N/A	N/A	N/A
Windsurfer	Two Bedroom	1,145	500,600	515,600	N/A	N/A	N/A
Seagret	Two Bedroom	XXX	N/A	502,900	N/A	N/A	N/A
Skipjack	Two Bedroom	1,328	546,700	563,100	N/A	N/A	N/A
Villa	A	1,350	529,200	545,100	N/A	N/A	N/A
Villa	B	1,350	516,300	531,800	N/A	N/A	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	N/A	N/A	N/A
Dolphin Premier	One Bedroom	XXX	N/A	N/A	N/A	N/A	N/A
Latitude	One Bedroom	1,009	365,800	376,800	N/A	N/A	N/A
Crane	One Bedroom	1,009	400,700	412,700	N/A	N/A	N/A
Crane Premium	One Bedroom	1,009	471,900	486,100	N/A	N/A	N/A
Lookout	One Bedroom	1,125	380,400	391,800	N/A	N/A	N/A
Schooner	One Bedroom	1,125	434,300	447,300	N/A	N/A	N/A
Lynnhaven	Two Bedroom	1,190	402,600	414,700	N/A	N/A	N/A
Osprey Value	Two Bedroom	1,190	447,500	460,900	N/A	N/A	N/A
Osprey	Two Bedroom	1,190	454,700	468,300	N/A	N/A	N/A
Osprey Pemium	Two Bedroom	1,190	521,400	537,000	N/A	N/A	N/A
Longitude	Two Bedroom	1,427	424,900	437,600	N/A	N/A	N/A
Spinnaker	Two Bedroom	1,427	510,600	525,900	N/A	N/A	N/A
Spinnaker Premium East	Two Bedroom	1,427	618,000	636,500	N/A	N/A	N/A
Spinnaker Premium West	Two Bedroom	1,427	687,500	708,100	N/A	N/A	N/A
Clipper	Two Bedroom	1,557	717,500	739,000	N/A	N/A	N/A
Lighthouse	Two Bedroom	1,659	514,600	530,000	N/A	N/A	N/A
Dockside	Two Bedroom	1,659	580,400	597,800	N/A	N/A	N/A
Dockside Premium East	Two Bedroom	1,659	691,500	712,200	N/A	N/A	N/A
Dockside Premium West	Two Bedroom	1,659	782,400	805,900	N/A	N/A	N/A
Mooring	Two Bedroom	1,677	608,300	626,500	N/A	N/A	N/A
Lesner	Two Bedroom	1,688	503,600	518,700	N/A	N/A	N/A
Galleon	Two Bedroom	1,688	590,600	608,300	N/A	N/A	N/A
Galleon Premium	Two Bedroom	1,688	707,300	728,500	N/A	N/A	N/A
Mariner	Two Bedroom	1,756	531,800	547,800	N/A	N/A	N/A
Sailfish	Two Bedroom	1,773	896,800	923,700	N/A	N/A	N/A
Marlin	Two Bedroom	1,841	896,800	923,700	N/A	N/A	N/A
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	72,100	74,300	N/A	N/A	N/A

Entrance Fees are increased 8% per year for each year under age 62.  
90% Refundable FFS Contract no longer as offered as of October 1, 2021.

**ENTRANCE FEES  
FEE FOR SERVICE (FFS)**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	113,000	122,700	128,800	135,900	N/A
Pearl	Studio	432	N/A	N/A	N/A	N/A	N/A
Chesapeake	Master Studio	532	149,600	160,400	168,400	176,700	N/A
Dolphin	Master Studio	567	161,500	172,700	181,300	190,000	N/A
Egret Premier	One Bedroom	708	251,300	275,100	288,900	307,400	N/A
Egret	One Bedroom	708	196,400	215,600	226,400	241,800	N/A
Starfish	One Bedroom	714	274,300	299,900	314,900	334,700	N/A
Seagull Premier	One Bedroom	761	283,300	309,700	325,200	345,600	N/A
Seagull	One Bedroom	761	237,200	259,800	272,800	290,500	N/A
Sandpiper	One Bedroom	864	318,200	347,400	364,800	387,100	N/A
Heron	Two Bedroom	919	376,200	410,100	430,600	456,200	N/A
Islander	Two Bedroom	899	376,300	410,200	430,700	456,300	N/A
Nautilus	Two Bedroom	1,018	379,400	413,600	434,300	460,100	N/A
Windsurfer	Two Bedroom	1,145	436,800	475,600	499,400	528,500	N/A
Seagret	Two Bedroom	XXX	425,000	462,900	486,000	514,400	N/A
Skipjack	Two Bedroom	1,328	480,700	523,100	549,300	580,900	N/A
Villa	A	1,350	464,000	505,100	530,400	561,000	N/A
Villa	B	1,350	451,700	491,800	516,400	546,300	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	159,500	173,500	N/A
Dolphin Premier	One Bedroom	XXX	N/A	N/A	210,000	227,500	N/A
Latitude	One Bedroom	1,009	308,400	336,800	353,600	383,300	N/A
Crane	One Bedroom	1,009	341,600	372,700	391,300	423,600	N/A
Crane Premium	One Bedroom	1,009	409,400	446,100	468,400	506,100	N/A
Lookout	One Bedroom	1,125	322,300	351,800	369,400	400,200	N/A
Schooner	One Bedroom	1,125	373,600	407,300	427,700	462,600	N/A
Lynnhaven	Two Bedroom	1,190	343,400	374,700	393,400	425,900	N/A
Osprey Value	Two Bedroom	1,190	386,200	420,900	441,900	477,800	N/A
Osprey	Two Bedroom	1,190	393,000	428,300	449,700	486,100	N/A
Osprey Pemium	Two Bedroom	1,190	456,600	497,000	521,900	563,400	N/A
Longitude	Two Bedroom	1,427	364,700	397,600	417,500	451,700	N/A
Spinnaker	Two Bedroom	1,427	446,300	485,900	510,200	550,900	N/A
Spinnaker Premium East	Two Bedroom	1,427	548,600	596,500	626,300	675,100	N/A
Spinnaker Premium West	Two Bedroom	1,427	614,800	668,100	701,500	755,500	N/A
Clipper	Two Bedroom	1,557	643,300	699,000	734,000	790,300	N/A
Lighthouse	Two Bedroom	1,659	450,100	490,000	514,500	555,500	N/A
Dockside	Two Bedroom	1,659	512,800	557,800	585,700	631,600	N/A
Dockside Premium East	Two Bedroom	1,659	618,600	672,200	705,800	760,100	N/A
Dockside Premium West	Two Bedroom	1,659	705,100	765,900	804,200	865,400	N/A
Mooring	Two Bedroom	1,677	539,300	586,500	615,800	663,800	N/A
Lesner	Two Bedroom	1,688	439,600	478,700	502,600	542,700	N/A
Galleon	Two Bedroom	1,688	522,500	568,300	596,700	643,400	N/A
Galleon Premium	Two Bedroom	1,688	633,600	688,500	722,900	778,400	N/A
Mariner	Two Bedroom	1,756	466,500	507,800	533,200	575,500	N/A
Sailfish	Two Bedroom	1,773	814,100	883,700	927,900	997,800	N/A
Marlin	Two Bedroom	1,841	814,100	883,700	927,900	997,800	N/A
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	32,900	35,600	37,400	39,300	N/A

Entrance Fees are increased 8% per year for each year under age 62.  
FFS Contract no longer as offered as of October 1, 2023.

**ENTRANCE FEES**  
**80% REFUNDABLE FFS CONTRACT**

Unit Name	Unit Type	Sq Ft	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/2/2022	Effective 10/1/2023
<b>EAST TOWER (ONE PERSON)</b>							
Angler	Studio	432	N/A	N/A	383,200	305,800	N/A
Pearl	Studio	432	N/A	N/A	N/A	371,300	N/A
Chesapeake	Master Studio	532	N/A	N/A	456,700	397,600	N/A
Dolphin	Master Studio	567	N/A	N/A	480,700	427,500	N/A
Egret Premier	One Bedroom	708	N/A	N/A	680,200	691,700	N/A
Egret	One Bedroom	708	N/A	N/A	564,300	544,100	N/A
Starfish	One Bedroom	714	N/A	N/A	728,500	753,100	N/A
Seagull Premier	One Bedroom	761	N/A	N/A	747,600	777,600	N/A
Seagull	One Bedroom	761	N/A	N/A	650,400	653,600	N/A
Sandpiper	One Bedroom	864	N/A	N/A	821,000	871,000	N/A
Heron	Two Bedroom	919	N/A	N/A	943,200	1,026,500	N/A
Islander	Two Bedroom	899	N/A	N/A	943,400	1,026,700	N/A
Nautilus	Two Bedroom	1,018	N/A	N/A	950,000	1,035,200	N/A
Windsurfer	Two Bedroom	1,145	N/A	N/A	1,070,800	1,189,100	N/A
Seagret	Two Bedroom	XXX	N/A	N/A	1,046,000	1,157,400	N/A
Skipjack	Two Bedroom	1,328	N/A	N/A	1,163,300	1,307,000	N/A
Villa	A	1,350	N/A	N/A	1,129,500	1,262,300	N/A
Villa	B	1,350	N/A	N/A	1,101,950	1,229,200	N/A
<b>WEST TOWER (ONE PERSON)</b>							
Angler Premier	Studio	XXX	N/A	N/A	358,900	390,400	N/A
Dolphin Premier	One Bedroom	XXX	N/A	N/A	472,500	511,900	N/A
Latitude	One Bedroom	1,009	N/A	N/A	800,400	862,400	N/A
Crane	One Bedroom	1,009	N/A	N/A	870,300	953,100	N/A
Crane Premium	One Bedroom	1,009	N/A	N/A	1,013,300	1,138,700	N/A
Lookout	One Bedroom	1,125	N/A	N/A	829,600	900,500	N/A
Schooner	One Bedroom	1,125	N/A	N/A	937,700	1,040,900	N/A
Lynnhaven	Two Bedroom	1,190	N/A	N/A	874,200	958,300	N/A
Osprey Value	Two Bedroom	1,190	N/A	N/A	964,200	1,075,100	N/A
Osprey	Two Bedroom	1,190	N/A	N/A	978,600	1,093,700	N/A
Osprey Pemium	Two Bedroom	1,190	N/A	N/A	1,112,500	1,267,700	N/A
Longitude	Two Bedroom	1,427	N/A	N/A	918,800	1,016,300	N/A
Spinnaker	Two Bedroom	1,427	N/A	N/A	1,090,800	1,239,500	N/A
Spinnaker Premium East	Two Bedroom	1,427	N/A	N/A	1,306,300	1,519,000	N/A
Spinnaker Premium West	Two Bedroom	1,427	N/A	N/A	1,445,700	1,699,900	N/A
Clipper	Two Bedroom	1,557	N/A	N/A	1,506,000	1,778,200	N/A
Lighthouse	Two Bedroom	1,659	N/A	N/A	1,098,800	1,249,900	N/A
Dockside	Two Bedroom	1,659	N/A	N/A	1,230,900	1,421,100	N/A
Dockside Premium East	Two Bedroom	1,659	N/A	N/A	1,453,700	1,710,200	N/A
Dockside Premium West	Two Bedroom	1,659	N/A	N/A	1,636,300	1,947,200	N/A
Mooring	Two Bedroom	1,677	N/A	N/A	1,286,800	1,493,600	N/A
Lesner	Two Bedroom	1,688	N/A	N/A	1,076,800	1,221,100	N/A
Galleon	Two Bedroom	1,688	N/A	N/A	1,251,400	1,447,700	N/A
Galleon Premium	Two Bedroom	1,688	N/A	N/A	1,485,500	1,751,400	N/A
Mariner	Two Bedroom	1,756	N/A	N/A	1,133,500	1,294,900	N/A
Sailfish	Two Bedroom	1,773	N/A	N/A	1,865,800	2,245,100	N/A
Marlin	Two Bedroom	1,841	N/A	N/A	1,865,800	2,245,100	N/A
<b>ADDITIONAL SECOND PERSON FEE</b>							
Unit Name	Unit Type	Ft	10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023
All	All	XXX	N/A	N/A	141,800	148,900	N/A

Entrance Fees are increased 8% per year for each year under age 62.  
80% Refundable FFS Contract no longer as offered as of October 1, 2023.

**EXHIBIT 4**

**PRIOR TWO YEARS\* AUDITED STATEMENTS**



**Westminster-Canterbury on Chesapeake Bay**

**City of Virginia Beach Development Authority  
2018 Bond Issue**

**OFFICER'S CERTIFICATE AS TO NO DEFAULT**

**Year Ended September 30, 2023**

In accordance with the *Second Amended and Restated Master Trust Indenture*, dated August 1, 2018, Section 3.10.

This is to certify that nothing has come to our attention that would lead us to believe that Westminster-Canterbury on Chesapeake Bay is in default in the performance of any covenants contained in the Master Trust Indenture.

Respectfully submitted,

  
\_\_\_\_\_  
J. Benjamin Unkle, Jr.  
President & CEO

  
\_\_\_\_\_  
David B. Myers  
CFO

February 22, 2024



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Westminster-Canterbury on Chesapeake Bay  
and Subsidiaries  
Virginia Beach, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Westminster-Canterbury on Chesapeake Bay and Subsidiaries (the Corporation) as of September 30, 2023, and the related consolidated statements of operations, and changes in unrestricted net assets (deficit), changes in net assets (deficit), and cash flows for the year then ended, and related notes to the consolidated financial statements, and have issued our report thereon dated February 20, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with the terms, covenants, provisions, or conditions of Article III of the Second Amended and Restated Master Trust Indenture between U.S. Bank National Association, Westminster-Canterbury on Chesapeake Bay, and Westminster-Canterbury on Chesapeake Bay Foundation dated August 1, 2018, as supplemented by Supplemental Indenture for the Series 2018 Obligation dated August 1, 2018 insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the above referenced terms, covenants, provisions, or conditions of the Indenture, insofar as they relate to accounting matters.

This report is intended solely for the information and use of U.S. Bank National Association as Bond Trustee, the Board of Trustees and management of Westminster-Canterbury on Chesapeake Bay and Subsidiaries, and the City of Virginia Beach Development Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
February 20, 2024





## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Westminster-Canterbury on Chesapeake Bay  
Virginia Beach, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated financial statements of Westminster-Canterbury on Chesapeake Bay and Subsidiaries (the Corporation), which comprise the consolidated balance sheet as of September 30, 2023, and the related consolidated statements of operations and changes in net assets (deficit) without restriction, changes in net assets (deficit), and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 20, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with the terms, covenants, provisions, or conditions of Article III of the Second Amended and Restated Master Trust Indenture between U.S. Bank National Association, Westminster-Canterbury on Chesapeake Bay, and Westminster-Canterbury on Chesapeake Bay Foundation dated August 1, 2018, as supplemented by Supplemental Indenture for the Series 2018 Obligation dated August 1, 2018 insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the above referenced terms, covenants, provisions, or conditions of the Indenture, insofar as they relate to accounting matters.

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

Board of Directors  
Westminster-Canterbury on Chesapeake Bay

This report is intended solely for the information and use of U.S. Bank National Association as Bond Trustee, the Board of Trustees and management of Westminster-Canterbury on Chesapeake Bay and Subsidiaries, and the City of Virginia Beach Development Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
February 20, 2024

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY  
LONG-TERM DEBT SERVICE COVERAGE RATIO\*  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Change in Net Assets Without Restrictions		\$ 8,281,588
Add:		
Depreciation and Amortization Expense	\$ 10,176,046	
Interest Expense	3,089,198	
Net Proceeds from Entrance Fees	23,060,616	
Limitation on Realized Gains and Losses	<u>1,001,477</u>	
		37,327,337
Subtract:		
Amortization of Deferred Revenue from Advance Fees	(13,139,170)	
Unrealized Gains	(2,428,858)	
Realized Gains	<u>(695,269)</u>	
		<u>(16,263,297)</u>
Income Available for Debt Service (A)		<u>\$ 29,345,628</u>
Maximum Annual Debt Service, as defined (B)		<u>\$ 5,204,679</u>
Long-Term Debt Service Coverage Ratio (A/B)		<u>5.64</u>

\*Presented on the basis described by Section 3.07 of the Second Amended and Restated Master Trust Indenture

**WESTMINSTER-CANTERBURY ON CHESAPEAKE  
BAY AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Westminster-Canterbury on Chesapeake Bay  
and Subsidiaries  
Virginia Beach, Virginia

### Report on the Audit of the Consolidated Financial Statements

#### **Opinion**

We have audited the accompanying consolidated financial statements of Westminster-Canterbury on Chesapeake Bay and Subsidiaries, which comprise the consolidated balance sheets as of September 30, 2023 and 2022, and the related consolidated statements of operations and changes in net assets (deficit) without donor restrictions, changes in net assets (deficit), and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Westminster-Canterbury on Chesapeake Bay and Subsidiaries as of September 30, 2023 and 2022, and the consolidated results of their operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

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

#### **Responsibilities of Management for the Consolidated Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Westminster-Canterbury on Chesapeake Bay and Subsidiaries' abilities to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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



**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
February 20, 2024

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 13,932,233	\$ 10,314,675
Receivables	4,409,187	3,740,807
Receivables - Employee Retention Credit	-	2,829,388
Accrued Interest Receivable and Other	3,868,604	3,505,446
Total Current Assets	22,210,024	20,390,316
<b>ASSETS LIMITED AS TO USE</b>		
Board Designated for Capital Acquisition and Debt Service	6,167,298	-
Externally Restricted Under Residency Agreements	14,140,366	4,269,997
Externally Restricted Under Bond Indenture Agreements	427,123	389,866
Total Assets Limited As To Use	20,734,787	4,659,863
<b>INVESTMENTS</b>	51,991,902	45,918,247
<b>PROPERTY, PLANT, AND EQUIPMENT, NET</b>	204,915,412	203,178,599
Total Assets	\$ 299,852,125	\$ 274,147,025

*See accompanying Notes to Consolidated Financial Statements.*



**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (CONTINUED)**  
**SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 10,140,605	\$ 9,620,075
Accrued Interest	379,864	421,301
Reservation Fees	687,520	606,020
Current Portion of Refundable Advance Fees	367,000	382,000
Current Portion of Right-of-Use Leases Payable	160,016	153,369
Current Portion of Long-Term Debt	2,187,005	1,678,036
Total Current Liabilities	13,922,010	12,860,801
<b>ADVANCE FEES AND DEPOSITS</b>		
Advance Fee Deposits	14,100,726	4,381,399
Refundable Advance Fees	9,517,332	10,108,392
Deferred Revenue from Advance Fees	118,111,564	107,584,058
Total Advance Fees and Deposits	141,729,622	122,073,849
<b>DEFERRED ANNUITY OBLIGATIONS</b>	289,333	331,494
<b>RIGHT-OF-USE LEASES PAYABLE, LESS CURRENT PORTION</b>	24,596	184,612
<b>LONG-TERM DEBT, LESS CURRENT PORTION</b>	117,680,381	121,500,227
<b>OTHER LIABILITIES</b>	32,300	71,172
Total Liabilities	273,678,242	257,022,155
<b>NET ASSETS</b>		
Without Donor Restrictions	12,926,902	4,995,709
With Donor Restrictions:		
Purpose Restricted	10,994,582	9,883,979
Perpetual in Nature	2,252,399	2,245,182
Total Net Assets	26,173,883	17,124,870
Total Liabilities and Net Assets	\$ 299,852,125	\$ 274,147,025

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN**  
**NET ASSETS WITHOUT DONOR RESTRICTIONS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Resident Services, Including Amortization of Deferred Revenue from Advance Fees of \$13,139,170 and \$12,097,527 in 2023 and 2022, Respectively	\$ 61,174,247	\$ 54,316,667
Home and Community Based Services	12,223,512	11,837,891
Contributions	593,087	758,770
Investment Income	1,814,087	1,250,715
Other Income - Employee Retention Credit	3,337,910	2,829,388
Other	2,325,549	2,317,587
Net Assets Released from Restriction for Operations	1,246,727	1,447,311
Total Revenues, Gains, and Other Support	82,715,119	74,758,329
<b>EXPENSES</b>		
Resident and Community Based Services	26,829,810	24,513,794
Dining Services	8,248,363	7,666,326
Housekeeping and Laundry	2,605,744	2,423,215
General and Administrative	17,365,514	16,531,721
Plant Maintenance	3,983,641	3,590,478
Depreciation and Amortization	12,135,876	10,848,134
Interest Expense	4,481,041	4,453,028
Fellowship Payments	916,353	1,117,304
Other	601,034	619,175
Total Expenses	77,167,376	71,763,175
<b>OPERATING INCOME</b>	5,547,743	2,995,154
<b>OTHER INCOME (LOSS)</b>		
Change in Estimated Value of Deferred Annuity Obligations	(14,709)	(31,833)
Net Change in Unrealized Gains (Losses) on Investments	2,428,858	(7,991,776)
Loss on Extinguishment of Debt	(30,699)	-
Loss on Settlement	-	(291,364)
Other Income	-	439,593
Total Other Income (Loss)	2,383,450	(7,875,380)
<b>EXCESS (DEFICIT) OF REVENUES, GAINS, AND OTHER SUPPORT OVER (UNDER) EXPENSES AND INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	\$ 7,931,193	\$ (4,880,226)

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	Net Assets			Total
	Without Donor Restrictions	Purpose Restricted	Perpetual in Nature	
<b>BALANCE - SEPTEMBER 30, 2021</b>	\$ 9,875,935	\$ 12,719,465	\$ 2,269,429	\$ 24,864,829
Excess (Deficit) of Revenues, Gains, and Other Support Over (Under) Expenses	(4,880,226)	-	-	(4,880,226)
Contributions	-	929,933	-	929,933
Investment Income	-	510,351	-	510,351
Net Change in Unrealized Losses on Investments	-	(2,828,459)	(24,247)	(2,852,706)
Net Assets Released from Restriction for Operations	-	(1,447,311)	-	(1,447,311)
Net Increase in Net Assets	<u>(4,880,226)</u>	<u>(2,835,486)</u>	<u>(24,247)</u>	<u>(7,739,959)</u>
<b>BALANCE - SEPTEMBER 30, 2022</b>	4,995,709	9,883,979	2,245,182	17,124,870
Excess of Revenues, Gains, and Other Support Over Expenses	7,931,193	-	-	7,931,193
Contributions	-	846,870	-	846,870
Investment Income	-	425,187	-	425,187
Net Change in Unrealized Gains on Investments	-	1,085,273	7,217	1,092,490
Net Assets Released from Restriction for Operations	-	(1,246,727)	-	(1,246,727)
Net Decrease in Net Assets	<u>7,931,193</u>	<u>1,110,603</u>	<u>7,217</u>	<u>9,049,013</u>
<b>BALANCE - SEPTEMBER 30, 2023</b>	<u>\$ 12,926,902</u>	<u>\$ 10,994,582</u>	<u>\$ 2,252,399</u>	<u>\$ 26,173,883</u>

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 9,049,013	\$ (7,739,959)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities		
Amortization of Deferred Revenue from Advance Fees	(13,139,170)	(12,097,527)
Proceeds from Advance Fees Net of Refunds	23,060,616	22,570,130
Depreciation	12,135,876	10,848,134
Bad Debt Expense	95,165	100,200
Amortization of Deferred Financing Costs	25,027	49,584
Amortization of Bond Premium	(204,150)	(204,150)
Gains on Sales of Investments, Net	(732,085)	(331,484)
Net Change in Unrealized (Gains) Losses on Investments	(3,521,348)	10,844,482
Proceeds From Contributions with Donor Restrictions	(846,870)	(929,933)
Increase (Decrease) in Receivables, Other Assets, and Pledges Receivable	1,702,685	(3,715,545)
Increase (Decrease) in Current Liabilities Excluding Debt	(270,429)	1,199,084
Net Cash Provided by Operating Activities	27,354,330	20,593,016
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(6,309,662)	(6,309,662)
Proceeds from Sale of Investments	4,489,440	7,276,536
Acquisition of Property, Plant, and Equipment	(13,315,408)	(88,331,864)
Net Cash Used by Investing Activities	(15,135,630)	(87,364,990)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Advance Deposits	9,719,327	2,372,252
Increase in Reservation Fees	81,500	39,000
Decrease in Annuity Obligation	(42,161)	(37,335)
Proceeds from Contributions with Donor Restrictions	846,870	929,933
Increase in Deferred Financing Costs	-	(121,250)
Proceeds from Line of Credit	-	5,000,000
Repayment on Line of Credit	-	(5,000,000)
Issuance of Long-Term Debt	-	48,500,000
Repayment of Long-Term Debt	(3,131,754)	(1,542,108)
Net Cash Provided by Financing Activities	7,473,782	50,140,492
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	19,692,482	(16,631,482)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	14,974,538	31,606,020
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>	\$ 34,667,020	\$ 14,974,538
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Operating Cash and Cash Equivalents	\$ 13,932,233	\$ 10,314,675
Restricted Cash included in Assets Limited as to Use	20,734,787	4,659,863
Total	\$ 34,667,020	\$ 14,974,538
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INFORMATION</b>		
Property, Plant, and Equipment Included in Accounts Payable	\$ 1,008,583	\$ 297,933
Right-of-Use Assets Obtained through Leases Payable	\$ -	\$ 358,331

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Westminster-Canterbury on Chesapeake Bay: Westminster-Canterbury on Chesapeake Bay (Westminster-Canterbury) was incorporated as a nonprofit Virginia nonstock corporation in 1976 as a result of the joint efforts of the Commission on Services to the Aging, Episcopal Diocese of Southern Virginia, and Tidewater Westminster Homes, Incorporated, of the Norfolk Presbytery of the Presbyterian Church in the United States. The purpose of Westminster-Canterbury, as managed by the board of trustees, is to create, maintain, and operate life plan communities and to provide related services as a nonprofit organization. Westminster-Canterbury owns and operates an independent living, assisted living, and health care community located in Virginia Beach, Virginia.

During 2013, Westminster-Canterbury created Westminster-Canterbury at Home, LLC (WC at Home), a wholly owned limited liability company organized under the laws of the Commonwealth of Virginia. WC at Home provides Westminster-Canterbury's home health, hospice, and related services.

During 2015, Westminster-Canterbury created Senior Options, LLC (Senior Options), a wholly owned limited liability company organized under the laws of the Commonwealth of Virginia. Senior Options assists unrelated organizations in providing high quality home and community-based health care programs to its patients. Senior Options provides administrative, quality assurance, education, training, billing, and other advisory services to other senior living organizations.

During 2016, Westminster-Canterbury created S.O. Realty, LLC (S.O. Realty), a wholly owned limited liability company organized under the laws of the Commonwealth of Virginia. S.O. Realty owns an office building that provides office space for Senior Options, LLC and Westminster-Canterbury at Home, LLC. The last outside tenant vacated the building on November 1, 2019. Annual rental income was approximately \$216,000 during 2023 and 2022.

During 2018, Westminster-Canterbury purchased the capital stock of the Lynnhaven Fishing Pier Corporation (Lynnhaven), a Virginia corporation that has made an S Corporation election, and its related property for \$6,000,000. The purchase price was allocated to land on the accompanying consolidated balance sheets. Westminster-Canterbury is the sole owner of Lynnhaven.

In 2023, the property held by Lynnhaven was conveyed to Westminster-Canterbury, after which Lynnhaven held no remaining property. Subsequent to year-end, on October 19, 2023, Lynnhaven was dissolved with the Virginia State Corporation Commission.

Westminster-Canterbury on Chesapeake Bay Foundation: Westminster-Canterbury on Chesapeake Bay Foundation (the Foundation) was incorporated in December 1992 as a nonprofit Virginia nonstock corporation, the sole member of which is Westminster-Canterbury. The Foundation, managed by a board of directors appointed by the board of trustees of Westminster-Canterbury, is a self-supporting, tax-exempt organization that supports the mission of Westminster-Canterbury by furthering its financial assistance and fundraising goals.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Organization (Continued)**

Ballentine Home Corporation: The Ballentine Home Corporation (the Ballentine) was incorporated as a nonprofit, nonstock corporation in May 1985, and was organized by the Episcopal Diocese of Southern Virginia and the Presbytery of Eastern Virginia of the Presbyterian Church (U.S.A.). Westminster-Canterbury is the sole member of the Ballentine. The Ballentine operated a 74-bed home for adults in Norfolk, Virginia. During the year ended September 30, 2012, the Ballentine entered into an asset purchase agreement and sold the Ballentine assets to an unrelated party. The Ballentine has no operations; however, the proceeds from the sale are held by the Ballentine to further the mission of Westminster-Canterbury.

On May 23, 2019, Westminster-Canterbury signed a purchase and sales agreement with the Casa del Playa Condominium Unit Owners' Association to purchase the Casa del Playa Condominium property for \$15 million. The property consists of thirty (30) individual units and common elements located at 2400 Starfish Road, adjacent to Westminster-Canterbury. On August 24, 2020, the purchase agreement was executed. Since Westminster-Canterbury already owned twenty-nine (29) of the thirty (30) units, the actual cash exchanged was \$500,000.

Senior Options Community: Senior Options Community dba Opus Select was incorporated in September 2021 as a nonprofit Virginia nonstock corporation, the sole member of which is Westminster-Canterbury. Senior Options Community, governed by a board of directors appointed by the board of trustees of Westminster-Canterbury, is a self-supporting, tax-exempt organization. Senior Options Community was organized for charitable and religious purposes, including providing housing and health care to aged persons.

On December 15, 2021, Senior Options Community purchased the Overture, a 172-unit, 62 and over rental apartment community located on 2.744 acres of land at 3317 Ocean Shore Avenue in Virginia Beach, Virginia. The Overture, which was built in 2017, is located three miles from Westminster-Canterbury's primary campus and is a beach-front rental community. The property was purchased for \$68,500,000. The assets and the operations of the Overture, which was branded as Opus Select, is included within Senior Options Community.

Cannability Consultants: Cannability Consultants (Cannability) was incorporated in June 2023 as a wholly owned limited liability company organized under the laws of the Commonwealth of Virginia, the sole member of which is Westminster-Canterbury. Cannability provides individual and industry education, consultation, advocacy, and evidence-based interventions that allow individuals to make safe and informed decisions about cannabis therapeutics. Cannability respects the rights of individuals to be involved in their wellness and care journey while working within state and federal regulations. Cannability had limited start-up operations during the year ended September 30, 2023 which were recorded under Westminster-Canterbury.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Principles of Consolidation**

The consolidated financial statements consist of the accounts of Westminster-Canterbury on Chesapeake Bay, Westminster-Canterbury on Chesapeake Bay Foundation, Senior Options, LLC, Westminster-Canterbury at Home, LLC, S.O. Realty, LLC, the Ballentine Home Corporation, the Lynnhaven Fishing Pier Corporation, Senior Options Community, and Cannability Consulting, collectively referred to as “WCCB” or the “Corporation.” Significant intercompany accounts and transactions have been eliminated in consolidation.

**Use of Estimates**

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

**Cash and Cash Equivalents**

The Corporation considers cash and cash equivalents to include cash on hand and temporary investments, including obligations acquired with original maturities of three months or less.

The Corporation maintains cash balances at several financial institutions located within its market area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC). At times, deposits may exceed FDIC amounts.

**Allowance for Doubtful Accounts**

The Corporation provides an allowance for doubtful accounts using management’s judgment. Residents and off-campus clients are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submission. Accounts past due are individually analyzed for collectability. In addition, an allowance is estimated for aged accounts based on historical experience of the Corporation. At September 30, 2023 and 2022, the allowance for doubtful accounts was approximately \$353,000 and \$313,000, respectively.

**Pledges Receivable**

Pledges receivable are recorded in the period in which the pledges are received. Pledges receivable are included in receivables, net on the consolidated balance sheets. Pledges receivable outstanding at September 30, 2023 are expected to be collected over the following terms:

Less than One Year	\$ 224,209
Two to Five Years	-
Total	\$ 224,209

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities (including funds held by Trustee) are measured at fair value in the consolidated balance sheets. Investments include mutual funds, marketable equity securities, and alternative investments with maturities generally ranging from five months to 30 years.

The fair value of marketable equity securities, bonds, and other investments is based on quoted market prices. Realized gains and losses on the sale of investments are determined based on the cost of the specific investment sold.

Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in operating income unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments, if any, are excluded from operating income and included in other income (loss).

**Assets Limited as to Use**

Assets limited as to use are measured at fair value in the accompanying consolidated balance sheets and consist of proceeds from reservation fees restricted under residency agreements and amounts restricted under bond indenture and escrow agreements.

**Property, Plant, and Equipment**

Property, plant, and equipment are stated on the basis of cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 40 years. The Corporation capitalizes all assets over \$500 if a single item, and over \$1,000 for a group of items.

**Deferred Financing Costs**

Financing costs incurred in connection with the issuance of long-term debt are deferred and amortized over the term of the related indebtedness, which approximates the effective interest method. Amortization expense, which is included with interest expense on the consolidated statement of operations and changes in net assets without donor restrictions, was approximately \$103,000 and \$64,000 for the years ended September 30, 2023 and 2022, respectively.



**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Leases**

The Corporation determines if an arrangement is a lease at inception. Operating leases are included in property, plant, and equipment as right-of-use (ROU) assets and leases payable in the consolidated balance sheets. ROU assets present the Corporation's right to use an underlying asset for the lease term and lease payables represent the Corporation's obligation to make lease payments arising from the lease. ROU assets and payables are recognized at the commencement date of the lease based on present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Corporation will exercise the option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Corporation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease payables or ROU assets on the consolidated balance sheets.

**Reservation Fees**

Reservation fees are comprised of prospective residents' deposits for priority of apartments. Upon acceptance by the resident of an apartment, the reservation fee is applied to the advance fee and becomes part of deferred revenue from advance fees. Reservation fees are fully refundable, subject to certain terms and conditions of the reservation agreements.

**Advance Fees**

Residents admitted to the community pay an "advance fee" at admission and a monthly fee to cover the cost of their care. Under the Standard Contract, the amount of the advance fee subject to refund is reduced by a one-time 4% administrative charge and by 2% for each month of occupancy up to 48 months. No refund is due after 48 months of occupancy.

In the event of the resident's death, the amount of the advance fee subject to refund is reduced by a one-time 4% administrative charge and by 2% per month if death occurs within six months of occupancy.

No refund of any amount of the advance fee will be made if death of resident occurs after six months.

Under the 50-month Declining Balance Contract, the amount of the advance fee subject to refund is reduced by a one-time 4% administrative charge and by 2% for each month of occupancy up to 48 months due to termination for any reason, including death. No refund is due after 48 months of occupancy.

Under the 50% Refundable Contract, the amount of the advance fee subject to refund is reduced by a one-time 4% administrative charge and by 2% for each month of occupancy up to 23 months due to termination for any reason, including death. The refund is never less than 50% of the advance fee paid.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Advance Fees (Continued)**

Under the 90% Refundable Contract, the amount of the advance fee subject to refund is reduced by a one-time 4% administrative charge and by 1% for each month of occupancy up to six months due to termination for any reason, including death. The refund is never less than 90% of the advance fee paid.

Four additional contracts are available to residents – the limited medical assistance (365 days), limited medical assistance (180 days) contracts, 90% refundable fee-for-service contract, and a fee-for-service contract. These contracts are subject to the same refund of advance fee provisions as the Standard Contract.

In 2020, the Corporation revised all contracts to recognize the 4% nonrefundable administrative charge as other operating income upon payment of the advance fees. Prior to 2020, the nonrefundable administrative charge was recognized as deferred revenue from advance fees and amortized into income over the life expectancy of the resident. Total administrative charges recognized as other income was approximately \$588,000 and \$846,000 for the years ended September 30, 2023 and 2022, respectively.

As of September 30, 2023, 89% and 90% of the residents have entered Westminster-Canterbury under the Standard Contract, respectively.

At September 30, 2023 and 2022, the portion of advance fees subject to refund provisions amounted to approximately \$41,069,000 and \$44,123,000, respectively. Amounts expected to be refunded to current residents, based on Westminster-Canterbury's experience, are approximately \$10,251,000 and \$10,490,000 at September 30, 2023 and 2022, respectively.

Residents admitted to Opus Select sign a rental contract to rent an apartment to use as their private residence in exchange for a monthly payment. The monthly payment varies depending on the size and location of the apartment in the building. The standard term is one year, but other terms are also available. The contracts automatically renew month-to-month unless either party gives written notice of termination or intent to move out at least 60 days before the lease end date. Rent is due on the first day of each month. Residents whose rent payments are received after the fifth day of the month are assessed a late charge. Payment of the monthly rent fee also gives residents access to the amenities offered by Opus Select.

**Deferred Revenue – Provider Relief Funding**

In response to the Coronavirus pandemic, the U.S. Department of Health and Human Services (HHS) made available emergency relief grant funds to health care providers through the CARES Act Provider Relief Fund (PRF). Total grant funds approved and received by the Corporation as of September 30, 2022 was \$1,979,356. No additional funds were received as of September 30, 2023. The PRF's are subject to certain restrictions on eligible expenses or uses, reporting requirements, and will be subject to audit.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Deferred Revenue – Provider Relief Funding (Continued)**

The Corporation recognized approximately \$94,000 as other operating revenue in the consolidated statements of operations and changes in net assets (deficit) without donor restrictions in 2022. The Corporation did not recognize any additional amounts as other operating revenue in the consolidated statements of operations and changes in net assets (deficit) without donor restrictions in 2023. Management believes the amounts have been recognized appropriately as of September 30, 2023 and 2022.

**Employee Retention Credit**

The CARES Act allows a credit (Employee Retention Credit or ERC) against applicable employment taxes for eligible employers. Employers, including tax-exempt organizations, are eligible for the ERC, if they operate a trade or business during calendar year 2020 and 2021 and experience either the full or partial suspension of the operations of their business during any calendar quarter due to a significant decline in gross receipts or because of governmental orders limiting commerce, travel or group meetings due to COVID-19. The credit applies to qualified wages (including certain health plan expenses) paid during this period or any calendar quarter in which eligibility requirements were met.

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. Westminster-Canterbury claimed a credit in the amount of \$5,659,000. Westminster-Canterbury believes it meets the eligibility requirements and conditions to claim the credit.

**Obligation to Provide Future Services**

Westminster-Canterbury annually calculates the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from advance fees. If the present value of the net cost of future services and the use of facilities exceeds the deferred revenue from advance fees, a liability is recorded with the corresponding charge to income (obligation to provide future services). The obligation is discounted at 4.5-6.0%, based on the expected long-term rate of return on government obligations. At September 30, 2023 and 2022, Westminster-Canterbury did not have an obligation to provide future services.

**Charitable Gift Annuities**

Assets received are recognized at fair value and an annuity liability (deferred annuity obligation) is recognized for the present value of future cash flows expected to be paid to the donor (discounted at 6% in 2023 and 2022). Contribution revenue is recognized for the difference between these amounts. Adjustments to the annuity liability are made annually to reflect changes in the discount rate or the life expectancy of the donor and are recognized as Change in Estimated Value of Deferred Annuity Obligations in the consolidated statements of operations and changes in net assets without donor restrictions.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Net Assets with Donor Restrictions**

Purpose restricted net assets are those whose use by the Corporation has been limited by donors to a specific time period or purpose. Perpetually restricted net assets have been restricted by donors to be maintained by the Corporation in perpetuity.

**Donor-Restricted Gifts**

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either purpose or perpetually restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, purpose restricted net assets are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets without donor restrictions as net assets released from restriction. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as contributions without restrictions in the accompanying consolidated financial statements.

**Excess (Deficit) of Revenues, Gains, and Other Support over (under) Expenses**

The consolidated statements of operations and changes in net assets without donor restrictions include excess (deficit) of revenues, gains, and other support over (under) expenses. Changes in net assets without donor restrictions which are excluded from operating income, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets, including assets acquired using contributions which by donor restriction were to be used for purposes of acquiring such assets.

**Risks and Uncertainties**

The Corporation holds investments in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will continue to occur in the near term and that such changes could materially affect the Corporation's investment balances and the amounts reported in the consolidated balance sheets of the Corporation.

**Income Taxes**

Westminster-Canterbury, the Foundation, the Ballentine, and Senior Options Community are nonprofit organizations exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3).

Senior Options, WC at Home, S.O. Realty, and Cannability Consultants are single member limited liability companies and are considered disregarded entities for income tax purposes.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Income Taxes (Continued)**

Lynnhaven is an S Corporation owned 100% by Westminster-Canterbury. Any net revenue that Lynnhaven generates while remaining an S Corporation will be considered unrelated business income (UBI) to Westminster-Canterbury. During the year, Lynnhaven did not generate any revenue that would generate UBI.

Westminster-Canterbury, the Foundation, Ballentine, and Senior Options Community file as tax-exempt organizations. Management is not aware of any activities that would jeopardize the tax-exempt status of Westminster-Canterbury, the Foundation, or Ballentine.

Management is not aware of any significant activities that are subject to tax on unrelated business income or excise or other taxes for Westminster-Canterbury, the Foundation, Ballentine, or Senior Options Community.

Westminster-Canterbury, the Foundation, Ballentine, and Senior Options Community follow guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The application has had no impact on the Corporation's consolidated financial statements.

**Fair Value Measurement**

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Corporation emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access;

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows; and,

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Fair Value Measurement (Continued)**

Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions. Securities valued using Level 1 inputs include those traded on an active exchange, such as the New York Stock Exchange. In addition, Level 1 inputs include securities that are traded by dealers or brokers in active over-the-counter markets, such as U.S. Treasury and other U.S. government and agency mortgage-backed securities, municipal bonds, and corporate bonds. Level 2 inputs include deferred annuity obligations due from the Corporation. The Corporation does not have any assets or liabilities valued using Level 3 inputs.

The Fair Value Option Standard for Financial Assets and Financial Liabilities allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for eligible financial assets and liabilities on an instrument-by-instrument basis. The Corporation has not elected to measure any existing financial assets or financial liabilities at fair value under this option.

**Benevolent Assistance**

Providing benevolent assistance to qualified residents is an integral part of the Corporation's mission. The Corporation has a benevolent assistance policy to provide entrance fees and/or monthly fee assistance to applicants who meet the admission requirement and have served their church and/or community but lack sufficient resources for admission. The Corporation also provides monthly assistance to residents, who through no fault of their own, experience financial difficulties and can no longer meet their monthly obligations. These residents are identified based on financial information obtained from the resident at the time of admission. This information is subsequently reviewed and analyzed by the Corporation.

The Corporation has estimated its direct and indirect costs of providing benevolent assistance under its benevolent assistance policy. In order to estimate the cost of providing such care, management calculated a cost-to-charge ratio by comparing the cost to provide services to residents and amount charged to residents. The cost-to-charge ratio is applied to the charges foregone to calculate the estimated direct and indirect cost of providing benevolent assistance. Using this methodology, the Corporation has estimated the costs for services under the Corporation's benevolent assistance policy to be approximately \$1,026,000 and \$1,107,000 for the years ended September 30, 2023 and 2022, respectively.

The Corporation received approximately \$768,000 and \$778,000 in contributions to subsidize the costs of providing benevolent assistance under its benevolent assistance policy for the years ended September 30, 2023 and 2022, respectively.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Benevolent Assistance (Continued)**

In addition, the estimated cost related to unreimbursed Medicaid services provided was approximately \$238,000 and \$373,000 for the years ended September 30, 2023 and 2022, respectively.

**Subsequent Events**

In preparing these consolidated financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through February 20, 2024, the date the consolidated financial statements were issued.

**NOTE 2 RESIDENT AND HOME AND COMMUNITY BASED SERVICES REVENUE**

Resident and home and community-based services revenue is reported at the amount that reflects the consideration to which the Corporation expects to be entitled in exchange for providing resident and home and community-based care. These amounts are due from residents, patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Corporation bills the residents, patients, and third-party payors several days after the services are performed. Service fees paid by residents for maintenance, meals, and other services are assessed monthly and are recognized as revenue in the period services are rendered. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Corporation. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Corporation believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facilities receiving skilled nursing services or housing residents receiving services in the facilities. The Corporation considers daily services provided to residents of the skilled nursing facilities, and monthly rental for housing services as a separate performance obligation and measures this on a monthly basis, or upon move-out within the month, whichever is shorter. Nonrefundable entrance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Revenue from nonrefundable entrance fees is recognized ratably in future periods covering a resident's life expectancy using a time-based measurement similar to the output method. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our residents and patients in a retail setting (for example, gift shop and cafeteria meals) and the Corporation does not believe it is required to provide additional goods or services related to that sale.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 RESIDENT AND HOME AND COMMUNITY BASED SERVICES REVENUE (CONTINUED)**

Because all of its performance obligations relate to contracts with a duration of less than one year, the Corporation has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Corporation determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Corporation's policy, and/or implicit price concessions provided to residents. The Corporation determines its estimates of contractual adjustments based on contractual agreements, its policy, and historical experience. The Corporation determines its estimate of implicit price concessions based on its historical collection experience.

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare and Medicaid

The Corporation's licensed nursing facility participate in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). On October 1, 2019, CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare Prospective Payment System (PPS). Under PDPM, therapy minutes are removed as the primary basis for payment and instead the underlying complexity and clinical needs of a patient is used as a basis for reimbursement. In addition, PDPM introduced variable adjustment factors that change reimbursement rates during the resident's length of stay. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.



**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 RESIDENT AND HOME AND COMMUNITY BASED SERVICES REVENUE (CONTINUED)**

Medicare and Medicaid (Continued)

The Corporation's licensed nursing facility participates in the Medicaid program which is administered by Virginia's Department of Medical Assistance Services (DMAS). DMAS uses a price-based payment system to reimburse providers, which is weighted for each claim based on PDPM HIPPS codes listed on each claim. Each year DMAS publishes a priced-based total case mix rate and a total indirect rate, both of which make up the bulk of the base payment rate for each provider. The total case mix rate and the total indirect rate are determined by a preassigned peer group of geographically similar regions within Virginia. The price-based rate is weighted for the severity of care of the documented code listed for each claim. Annual Medicaid cost reports are required by the state of Virginia, however, they are not used to settle the costs of claims. Instead, the cost reports are used in the development of price-based rates and to monitor the adequacy of the reimbursement methodology.

Other

Payment agreements with certain commercial insurance carriers provide for payment using prospectively determined daily rates.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Corporation's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2023 or 2022.

Generally, residents and patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Corporation estimates the transaction price for residents and patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent charges to the estimate of the transaction price are generally recorded as adjustments to resident and home and community-based services revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended September 30, 2023 and 2022. Subsequent changes that are determined to be the result of an adverse change in the resident's or patient's ability to pay are recorded as bad debt expense.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 RESIDENT AND HOME AND COMMUNITY BASED SERVICES REVENUE (CONTINUED)**

The Corporation has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized.

The composition of residential and home and community-based services revenue by primary payor for the years ended September 30 is as follows:

	<u>2023</u>	<u>2022</u>
Medicare	\$ 14,210,169	\$ 14,212,566
Medicaid	552,357	564,608
Private	58,233,113	51,042,449
Other	402,120	334,935
Total	<u>\$ 73,397,759</u>	<u>\$ 66,154,558</u>

Revenue from resident's and patient's deductibles and coinsurance are included in the categories presented above based on the primary payor.

The composition of residential and home and community-based services revenue based on the Corporation's lines of business, method of reimbursement, and timing of revenue recognition for the years ended September 30 are as follows:

	<u>2023</u>	<u>2022</u>
Service Lines:		
Independent Living	\$ 27,830,874	\$ 26,092,494
Rental	4,836,051	3,426,832
Assisted Living	4,073,939	3,516,356
Health Care Services	11,294,213	9,183,458
Home and Community Based Services	12,223,512	11,837,891
Amortization of Entrance Fees	13,139,170	12,097,527
Total	<u>\$ 73,397,759</u>	<u>\$ 66,154,558</u>
Method of Reimbursement:		
Monthly Service Fees	\$ 44,124,812	\$ 34,817,340
Amortization of Entrance Fees	13,139,170	12,097,527
Fee for Service	16,133,777	19,239,691
Total	<u>\$ 73,397,759</u>	<u>\$ 66,154,558</u>
Timing of Revenue and Recognition:		
Health Care Services Transferred Over Time	<u>\$ 73,397,759</u>	<u>\$ 66,154,558</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 RESIDENT AND HOME AND COMMUNITY BASED SERVICES REVENUE (CONTINUED)**

**Financing Component**

The Corporation has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from residents and third-party payors for the effects of a significant financing component due to its expectation that the period between the time the service is provided to a resident and the time that the resident or a third-party payor pays for that service will be one year or less. However, the Corporation does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

**Contract Costs**

The Corporation has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred as the amortization period of the asset that the Corporation otherwise would have recognized is one year or less in duration.

The opening and closing contract balances related to resident accounts receivable and residence and service agreements were as follows:

	<u>Accounts Receivable</u>	<u>Deferred Revenue</u>
Balance as of October 1, 2021	\$ 2,946,692	\$ 96,329,955
Balance as of September 30, 2022	3,520,079	107,584,058
Balance as of September 30, 2023	4,184,978	118,111,564

**NOTE 3 ASSETS LIMITED AS TO USE**

Assets limited as to use at September 30 are summarized as follows:

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Externally Restricted Under Residency Agreements:				
Cash and Cash Equivalents	\$ 1,989,707	\$ 1,989,707	\$ 4,269,997	\$ 4,269,997
Externally Restricted Under Bond Indenture Agreements:				
Cash and Cash Equivalents	427,123	427,123	389,866	389,866
Internally Restricted for Capital Acquisition and Debt Service	6,167,298	6,167,298	-	-
Externally Restricted Under Escrow Agreements:				
Cash and Cash Equivalents	12,150,659	12,150,659	-	-
Total	<u>\$ 20,734,787</u>	<u>\$ 20,734,787</u>	<u>\$ 4,659,863</u>	<u>\$ 4,659,863</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 4 INVESTMENTS**

Investments at September 30 are summarized as follows:

	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Westminster-Canterbury:				
Mutual Funds	\$ 13,945,910	\$ 12,289,844	\$ 12,376,616	\$ 10,892,121
Equity Securities	13,027,940	23,492,998	12,928,054	21,024,211
	<u>26,973,850</u>	<u>35,782,842</u>	<u>25,304,670</u>	<u>31,916,332</u>
Foundation:				
Mutual Funds	4,364,613	3,837,953	3,718,552	3,240,608
Equity Securities	8,783,773	12,371,107	8,545,508	10,761,307
	<u>13,148,386</u>	<u>16,209,060</u>	<u>12,264,060</u>	<u>14,001,915</u>
Total Investments	<u>\$ 40,122,236</u>	<u>\$ 51,991,902</u>	<u>\$ 37,568,730</u>	<u>\$ 45,918,247</u>

Investment income and realized gains and losses are classified as follows for the years ended September 30:

	2023	2022
Included in Investment Income:		
Without Donor Restrictions:		
Interest and Dividend Income	\$ 1,118,170	\$ 1,024,370
Net Realized Gains on Sales of Investments	695,917	226,345
Total Without Donor Restrictions	<u>1,814,087</u>	<u>1,250,715</u>
Purpose Restricted:		
Interest and Dividend Income	389,019	405,212
Net Realized Gains on Sales of Investments	36,168	105,139
Total Purpose Restricted	<u>425,187</u>	<u>510,351</u>
Total	<u>\$ 2,239,274</u>	<u>\$ 1,761,066</u>

**NOTE 5 PROPERTY, PLANT, AND EQUIPMENT**

Property, plant, and equipment consist of the following at September 30:

	2023	2022
Land	\$ 15,662,634	\$ 15,662,634
Land Improvements	2,652,604	2,275,661
Buildings and Fixtures	271,276,722	264,940,250
Right of Use Assets	674,266	674,267
Furniture and Equipment	22,048,218	21,643,480
Total	<u>312,314,444</u>	<u>305,196,292</u>
Less: Accumulated Depreciation	(127,917,193)	(118,045,916)
Total	<u>184,397,251</u>	<u>187,150,376</u>
Construction in Progress	20,518,161	16,028,223
Total	<u>\$ 204,915,412</u>	<u>\$ 203,178,599</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 5 PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)**

Depreciation expense for the years ended September 30, 2023 and 2022 totaled approximately \$12,136,000 and \$10,848,000, respectively. Construction in progress related to routine renovation projects and initial costs related to an expansion project as of September 30, 2023 and 2022.

The Corporation has signed contracts with architecture and construction firms for a total fee of approximately \$15,074,000. As of September 30, 2023, approximately \$5,076,000 remains to be paid on these contracts.

**NOTE 6 RIGHT-OF-USE LEASES PAYABLE**

The Corporation leases equipment as well as certain office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2025. Total rent expense on these leases was approximately \$153,000 and \$267,000 for 2023 and 2022, respectively.

A maturity analysis of annual undiscounted cash flows for lease liabilities as of September 30, 2023 is as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 164,769
2025	35,501
Total Lease Payments	<u>200,270</u>
Less: Current Portion	(160,016)
Less: Imputed Interest	(15,658)
Present Value of Lease Payable, Net of Current Portion	<u><u>\$ 24,596</u></u>

The right-of-use leases payable will continue to be impacted by new leases, lease modifications, lease terminations, and reevaluation of any new facts and circumstances. As of September 30, 2023, the weighted average lease term remaining that is included in the maturities of the lease payables is 2.5 years.

As the rate implicit in each lease is not readily determinable, the Corporation uses an incremental borrowing rate to calculate the lease liability that represents an estimate of the interest rate the Corporation would have to borrow on a collateralized basis over the term of a lease. The weighted average discount rate used for operating leases was 4.25% at September 30, 2023.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 LONG-TERM DEBT**

Long-term debt consists of the following at September 30:

<u>Description</u>	<u>2023</u>	<u>2022</u>
City of Virginia Beach Development Authority Series 2018 (Fixed Rate Bond) Residential Care Facility Revenue Refunding Bonds:		
Serial Bonds, due in graduated installments ranging from \$845,000 in September 2019 to \$2,540,000 in September 2036. Interest is payable semi-annually at annual rates ranging from 3.75% to 5.0%.	\$ 25,105,000	\$ 26,455,000
Term Bonds, due on September 1, 2040, 2044, and 2048 in amounts of \$11,480,000, \$13,955,000, and \$16,705,000, respectively. Interest is payable semi- annually at annual rates ranging from 4.0% to 5.0%.	42,140,000	42,140,000
Commercial Mortgage Loan, due in Annual installments beginning on March 2018 through maturity in February 2028. Interest is payable monthly at an annual rate of 4.25%.	-	1,812,454
Term Loan, due in monthly installments, beginning on January 2024 through maturity in December 2051. Interest is payable monthly at an annual rate of 2.83%.	<u>48,500,000</u>	<u>48,500,000</u>
Subtotal	115,745,000	118,907,454
Less: Current Portion	(2,187,005)	(1,678,036)
Plus: Unamortized Bond Premium	5,069,736	5,273,886
Less: Unamortized Deferred Financing Costs	<u>(947,350)</u>	<u>(1,003,077)</u>
Total	<u>\$ 117,680,381</u>	<u>\$ 121,500,227</u>

In September 2018, Westminster-Canterbury and the Foundation (collectively, the Obligated Group) issued \$73,115,000 in Residential Care Facility Revenue Refunding Bonds (Series 2018 Bonds). The proceeds of the bonds were used to refund the Series 2015 Bonds and to pay certain issuance costs. The Series 2018 Bonds bear interest at fixed interest rates ranging from 3.75% to 5.0%. Interest payments are due semi-annually and commenced on March 2019. Principal payments are due annually and commenced on September 2019. The Obligated Group recognized a loss on the early extinguishment of debt of approximately \$349,000 for the year ended September 30, 2018, related to the write-off of unamortized deferred financing costs.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

In September 2015, the Obligated Group issued \$85,000,000 in Residential Care Facility Revenue and Refunding Bonds (Series 2015 Bonds). The proceeds of the bonds were used to refund the Series 2011, 2009, 2005, and 2004A Bonds, to pay certain issuance costs and to finance various capital renovations. The Series 2015 Bonds bore interest at a fixed interest rate of 3.2%. Principal and interest payments were due monthly commencing October 2015. The Obligated Group recognized a loss on the early extinguishment of debt of approximately \$1.5 million for the year ended September 30, 2015, related to the write-off of unamortized deferred financing costs, unamortized bond discounts, and prepayments of interest expense. During 2018, the outstanding Series 2015 Bonds were refinanced.

During 2018, Westminster-Canterbury entered into a loan agreement with a financial institution to provide \$3,000,000 to finance a portion of the purchase of Lynnhaven. The loan bears interest at a rate of 4.25%. Principal and interest payments are due monthly commencing March 2018 through maturity in February 2028. The loan is guaranteed by the Foundation and Lynnhaven.

During 2022, Senior Options Community entered into a term loan with a financial institution to provide \$48,500,000 to finance a portion of the costs of acquiring real property and improvements of the Overture (2022 Term Loan). The loan bears interest at a rate of 2.83%. Principal and interest payments are due monthly with interest payments commencing January 1, 2022, and principal payments commencing January 1, 2024. The loan is guaranteed by Westminster-Canterbury and the Foundation.

Total interest paid during the years ended September 30, 2023 and 2022 was \$4,497,451 and \$4,285,968, respectively.

The following table sets forth the annual principal payments:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 2,187,005
2025	2,547,586
2026	2,653,334
2027	2,759,975
2028	2,874,019
Thereafter	102,723,081
Total	<u><u>\$ 115,745,000</u></u>

The Series 2018 Bonds are secured by revenues and receipts derived from operation of the Obligated Group, substantially all rights to endowments, gifts, grants, and bequests of the Obligated Group, and deeds of trust on the property and equipment now owned and hereafter acquired by the Obligated Group.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 LONG-TERM DEBT (CONTINUED)**

The Trust Agreement between the Obligated Group and the trustee for the Series 2018 Bonds contains certain covenants including, among other things (1) requirements relating to ownership and maintenance of the community and (2) a requirement that the long-term debt service coverage ratio calculated at the end of each fiscal year, as defined in the agreement, be no less than 1.20. At September 30, 2023, management is not aware of any noncompliance with these covenants.

The Credit Agreement between Senior Options Community and the financial institution for the 2022 Term Loan contains certain covenants including, among other things, a requirement that the long-term debt service coverage ratio calculated at the end of each fiscal year, as defined in the agreement, be no less than 1.15. At September 30, 2023, management believes it is in compliance with these covenants.

During the year ended September 30, 2021, the Corporation entered into a \$5,000,000 unsecured line of credit agreement with an interest rate of one month LIBOR, with the interest rate being no less than 2.6%. During the year ended September 30, 2022, the Corporation replaced the line of credit with a new \$7,000,000 line of credit with an interest rate of one-month AMERIBOR, with the interest rate being no less than 2.6%. The line of credit was set to expire in March 2023. The line of credit was renewed and is set to expire March 2024. Interest accrues and is payable monthly. There is no outstanding balance on the line of credit at September 30, 2023 and 2022.

Subsequent to year-end, in December 2023, the Obligated Group issued \$423,000,000 in Residential Care Facility Revenue Bonds (Series 2023 Bonds). The proceeds of the bonds will be used to finance and refinance the costs of demolition of existing structures and the acquisition, design, construction, and equipping of an up to 22-story building containing approximately 226 independent living units, finance capitalized interest on the Series 2023 Bonds, finance a debt service reserve fund, and finance costs of issuance of the Series 2023 Bonds. The Series 2023 Bonds will bear interest at a rate varying from 5.65% - 6.97%. Interest payments will be due semiannually commencing March 1, 2024. Principal will be due annually commencing September 1, 2029.

**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes or periods as of September 30:

	2023	2022
Restricted for Time:		
Pledges Receivable	\$ 224,209	\$ 220,728
Restricted for Purpose:		
Fellowships	9,087,946	8,355,914
Other	1,682,427	1,307,337
Total Restricted for Purpose and Time	10,994,582	9,883,979
Perpetual in Nature:		
Endowments	2,252,399	2,245,182
Total Net Assets With Donor Restrictions	\$ 13,246,981	\$ 12,129,161



**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

During the years ended September 30, 2023 and 2022, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	2023	2022
Fellowships	\$ 916,353	\$ 1,117,303
Bird Song Initiative	-	17,643
Health Services Operations	100,150	101,506
Other	230,224	210,859
Total	\$ 1,246,727	\$ 1,447,311

**NOTE 9 PERPETUALLY RESTRICTED NET ASSETS**

**Interpretation of Relevant Law**

The Commonwealth of Virginia adopted the Virginia Prudent Management of Institutional Funds Act (the Act). The board of trustees of the Corporation has interpreted the Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation classifies as perpetually restricted net assets (1) the original value of gifts donated to the permanent endowment and (2) the original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted Endowment Fund that is not classified in perpetually restricted net assets is classified as purpose restricted net assets until those amounts are appropriated for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed in the Act. In accordance with the Act, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Corporation and the Donor-Restricted Endowment Fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Corporation
- The investment policy of the Corporation

**Funds with Deficiencies**

It is the Corporation's policy to maintain the corpus amounts of each individual Donor-Restricted Endowment Fund received. If the fair value of assets associated with Individual Donor-Restricted Endowment Funds were to fall below the level that the donor or the Act requires the Corporation to retain as a fund of perpetual duration, in accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 9 PERPETUALLY RESTRICTED NET ASSETS (CONTINUED)**

**Return Objectives and Risk Parameters**

The Corporation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment. Endowment assets include those assets of donor-restricted funds the Corporation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner intended to preserve and grow capital, strive for consistent absolute returns, preserve purchasing power by striving for long-term returns which either match or exceed the set payout, fees and inflation without putting the principal value at imprudent risk, and diversify investments consistent with commonly accepted industry standard to minimize the risk of large losses.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Corporation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Management targets a diversified asset allocation that meets the Corporation's long-term rate of return objectives while avoiding undue risk from imprudent concentration in any single asset class or investment vehicle.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Corporation's spending policy is consistent with its objective of preservation of the fair value of the original gift of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

At September 30, 2023 and 2022, the Corporation had approximately \$2,252,000 and \$2,245,000, respectively, in endowments with donor restrictions perpetual in nature for which the income is used to support the purpose of the Foundation. The Corporation had no board-designated endowment funds for the year ended September 30, 2023.

The following is the change in endowment net assets for the years ended September 30, 2023 and 2022:

	2023			Total
	Without Donor Restrictions	Purpose Restricted	Perpetual in Nature	
Endowment Net Assets, Beginning of the Year	\$ -	\$ 275,291	\$ 2,245,182	\$ 2,520,473
Change in Unrealized Gains on Investments	79,745	143,016	7,217	229,978
Endowment Net Assets, End of the Year	<u>\$ 79,745</u>	<u>\$ 418,307</u>	<u>\$ 2,252,399</u>	<u>\$ 2,750,451</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 9 PERPETUALLY RESTRICTED NET ASSETS (CONTINUED)**

**Spending Policy and How the Investment Objectives Relate to Spending Policy**  
**(Continued)**

	2022			
	Without Donor Restrictions	Purpose Restricted	Perpetual in Nature	Total
Endowment Net Assets, Beginning of the Year	\$ 212,489	\$ 703,617	\$ 2,269,429	\$ 3,185,535
Change in Unrealized Losses on Investments	<u>(212,489)</u>	<u>(428,326)</u>	<u>(24,247)</u>	<u>(665,062)</u>
Endowment Net Assets, End of the Year	<u>\$ -</u>	<u>\$ 275,291</u>	<u>\$ 2,245,182</u>	<u>\$ 2,520,473</u>

**NOTE 10 DEFERRED COMPENSATION PLAN**

The Corporation maintains deferred compensation plans which cover substantially all eligible employees. For those employees at Westminster-Canterbury who are eligible to participate in the Corporation's IRC 403(b) Church Sponsored Employer Contributory Plan, the Corporation contributes a matching contribution equal to 100% of the voluntary contributions of each employee up to a maximum of 4% of annual compensation. The Corporation also contributed at its discretion an additional 3% of the annual compensation of each eligible employee for the years ended September 30, 2023 and 2022. The Westminster-Canterbury 403(b) plan is a qualified plan but is not subject to ERISA regulations. The Corporation also maintains nonqualified 457(b) and 457(f) plans for executive level staff contributions. The expenses related to deferred compensation plans were approximately \$1,335,000 and \$1,118,000 for the years ended September 30, 2023 and 2022, respectively.

**NOTE 11 LIQUIDITY AND AVAILABILITY**

The Corporation invests cash in excess of short-term requirements in short-term investments. In addition, the Corporation has long-term mutual funds and equity securities which are liquid within one week.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2023	2022
Cash and Cash Equivalents	\$ 13,932,233	\$ 10,314,675
Investments:		
Mutual Funds	16,127,797	14,132,729
Equity Securities	35,864,105	31,785,518
Receivables, Net	4,409,187	3,740,807
Less: Net Assets With Donor Restrictions	<u>(13,246,981)</u>	<u>(12,129,161)</u>
Total Financial Assets Available to Meet Liquidity Needs	<u>\$ 57,086,341</u>	<u>\$ 47,844,568</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 12 FAIR VALUE MEASUREMENTS**

The Corporation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Corporation measures fair value refer to Note 1 – Organization and Summary of Significant Accounting Policies.

The following tables present the fair value hierarchy for the balances of the assets and liabilities of the Corporation measured at fair value on a recurring basis as of September 30:

	2023			Total
	Level 1	Level 2	Level 3	
<b>Assets:</b>				
Investments:				
Mutual Funds	\$ 16,127,797	\$ -	\$ -	\$ 16,127,797
Equity Securities	35,864,105	-	-	35,864,105
Total Assets	<u>\$ 51,991,902</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,991,902</u>
<b>Liabilities:</b>				
Deferred Annuity Obligations	\$ -	\$ 289,333	\$ -	\$ 289,333
Total Liabilities	<u>\$ -</u>	<u>\$ 289,333</u>	<u>\$ -</u>	<u>\$ 289,333</u>
	2022			Total
	Level 1	Level 2	Level 3	
<b>Assets:</b>				
Investments:				
Mutual Funds	\$ 14,132,729	\$ -	\$ -	\$ 14,132,729
Equity Securities	31,785,518	-	-	31,785,518
Total Assets	<u>\$ 45,918,247</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,918,247</u>
<b>Liabilities:</b>				
Deferred Annuity Obligations	\$ -	\$ 331,494	\$ -	\$ 331,494
Total Liabilities	<u>\$ -</u>	<u>\$ 331,494</u>	<u>\$ -</u>	<u>\$ 331,494</u>

**NOTE 13 COMMITMENTS AND CONTINGENCIES**

Senior Options and WC at Home entered into a management agreement with Hospice House of Hampton Roads (Hospice House), an unrelated, nonprofit hospice organization governed by its own independent Board of Directors that has control and authority over the organization. Senior Options and WC at Home have no authority or oversight in appointing the Hospice House board members. Under the terms of the management agreement, Senior Options and WC At Home will manage the operations of the Hospice House, which includes providing an Executive Director to oversee clinical, social work, and pastoral operations of the Hospice House. The management agreement is for one year and renews yearly unless terminated by either party with 90-days written notice. Compensation for services provided under the management agreement is two percent (2%) of the monthly revenues of the Hospice House in the first five years and five percent (5%) thereafter. No revenue has been recognized by Senior Options or WC at Home under the management agreement as of September 30, 2023.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 13 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

The Corporation is subject to legal proceedings and claims which arise in the course of providing health care services. The Corporation maintains liability insurance coverage for claims made during the policy year. In management's opinion, adequate provision has been made for amounts expected to be paid under the policy's deductible limits for unasserted claims not covered by the policy and any other uninsured liability.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers.

Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. As of September 30, 2023, management believes it is in compliance with all Medicare and Medicaid laws and regulations.

**Self – Insurance**

Health Insurance

In 2012, the Corporation began to self-insure its employees' health plan. The Corporation has contracted with an administrative service company to supervise and administer the program and act as its representative. Provisions for expected future payments are accrued based on the Corporation's experience and include amounts for claims filed and claims incurred but not reported. The Corporation insures for excessive and unexpected health claims and is liable for claims not to exceed \$150,000 for each covered member per plan year and an aggregate amount of \$2,966,000 per plan year.

Liability Insurance

The Corporation, together with other similar retirement communities in the state of Virginia, is a member of Virginia Senior Care Group, a limited liability corporation whose primary purpose is that of obtaining general liability and professional insurance for its members. Under the terms of the policy, the risk for these entities is pooled and a potential liability for this coverage is actuarially determined. Premiums paid represent a portion of the potential liability, as actuarially determined for the group. In addition, the Corporation maintains a loss fund deposit in the event that claims exceed the premiums. The policy also provides for umbrella coverage, which functions as an extension of the primary limit. The policy is written on a claims first made basis and has a component of reinsurance. Management has not recorded any liabilities related to this policy as they are not aware of any underfunding within the pool.

The Corporation's professional liability is on the claims-made basis. Under a claims-made policy, determination of coverage is triggered by the date the insured first becomes aware and notifies the insurer of a claim or potential claim.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 14 FUNCTIONAL EXPENSES**

Program, management, and fundraising expenses for the year ended September 30 are summarized as follows:

	2023			Total Program Services	Management and General	Fundraising	Total
	Residential Services	Program Services Health Services	Other Program				
Salaries and Benefits	\$ 8,511,215	\$ 16,017,231	\$ -	\$ 24,528,446	\$ 5,304,942	\$ 197,497	\$ 30,030,885
Interest Expense	1,278,966	2,068,392	102,754	3,450,112	998,543	32,386	4,481,041
Depreciation and Amortization	3,444,933	5,588,896	276,772	9,310,601	2,738,042	87,233	12,135,876
Employee Fringe Benefits	1,217,563	3,450,357	46,923	4,714,843	659,173	53,669	5,427,685
Other Supplies and Expenses	2,975,152	2,469,198	2,407	5,446,757	4,027,245	118,196	9,592,198
Food Costs	2,949,398	-	-	2,949,398	-	-	2,949,398
Utilities	589,234	865,783	43,011	1,498,028	576,949	13,556	2,088,533
Contracted Management Services	410,487	40,101	1,992	452,580	349,036	628	802,244
Real Estate, Property, Sales Taxes	520,840	831,291	41,297	1,393,428	424,788	13,016	1,831,232
Corporate Insurance	-	-	-	-	1,331,111	-	1,331,111
Other Professional Fees	-	286,995	-	286,995	295,696	38,355	621,046
Employee Related Expenses	35,350	286,498	-	321,848	741,424	859	1,064,131
Therapy, Pharmacy, Ancillary Costs	-	3,565,004	-	3,565,004	-	-	3,565,004
Program Costs	-	-	1,246,991	1,246,991	1	-	1,246,992
Total Expenses by Function	<u>\$ 21,933,138</u>	<u>\$ 35,469,746</u>	<u>\$ 1,762,147</u>	<u>\$ 59,165,031</u>	<u>\$ 17,446,950</u>	<u>\$ 555,395</u>	<u>\$ 77,167,376</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 14 FUNCTIONAL EXPENSES (CONTINUED)**

	2022						
	Residential Services	Program Services Health Services	Other Program	Total Program Services	Management and General	Fundraising	Total
Salaries and Benefits	\$ 7,609,799	\$ 14,160,877	\$ -	\$ 21,770,676	\$ 4,785,791	\$ 195,564	\$ 26,752,031
Interest Expense	1,266,758	2,005,327	126,555	3,398,640	1,019,066	35,322	4,453,028
Depreciation and Amortization	3,074,014	4,866,284	307,107	8,247,405	2,515,013	85,716	10,848,134
Employee Fringe Benefits	1,215,628	3,312,150	66,017	4,593,795	857,427	57,912	5,509,134
Other Supplies and Expenses	3,138,176	2,720,752	2,992	5,861,920	3,744,106	112,596	9,718,622
Food Costs	2,763,601	-	-	2,763,601	-	-	2,763,601
Utilities	472,301	691,110	43,615	1,207,026	508,855	12,173	1,728,054
Contracted Management Services	416,035	39,359	2,484	457,878	281,152	693	739,723
Real Estate, Property, Sales Taxes	453,719	707,643	44,659	1,206,021	375,441	12,465	1,593,927
Corporate Insurance	-	-	-	-	1,393,814	-	1,393,814
Other Professional Fees	-	258,815	-	258,815	390,222	56,767	705,804
Employee Related Expenses	23,949	254,909	-	278,858	498,598	573	778,029
Therapy, Pharmacy, Ancillary Costs	-	3,330,561	-	3,330,561	-	-	3,330,561
Program Costs	-	-	1,448,013	1,448,013	700	-	1,448,713
Total Expenses by Function	<u>\$ 20,433,980</u>	<u>\$ 32,347,787</u>	<u>\$ 2,041,442</u>	<u>\$ 54,823,209</u>	<u>\$ 16,370,185</u>	<u>\$ 569,781</u>	<u>\$ 71,763,175</u>

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated on a square footage basis include depreciation and amortization, interest expense, employee fringe benefits, contracted management services, and real estate, property, and sales taxes.



## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Trustees  
Westminster-Canterbury on Chesapeake Bay  
and Subsidiaries  
Virginia Beach, Virginia

We have audited the consolidated financial statements of Westminster-Canterbury on Chesapeake Bay and Subsidiaries as of and for the year ended September 30, 2023, and our report thereon dated February 20, 2024, which expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
February 20, 2024



**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATING BALANCE SHEET**  
**SEPTEMBER 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Westminster- Canterbury	Foundation	Eliminations	Obligated Group	WC at Home	Senior Options	S.O. Realty	Ballentine	Lynnhaven	S.O. Community	Nonobligated Group	Eliminations	Consolidated
<b>ASSETS</b>													
<b>CURRENT ASSETS</b>													
Cash and Cash Equivalents	\$ 11,325,413	\$ 599,878	\$ -	\$ 11,925,291	\$ 71,488	\$ 50,042	\$ 23,886	\$ 255,842	\$ -	\$ 1,605,684	\$ 2,006,942	\$ -	\$ 13,932,233
Receivables	28,086,476	238,649	(48,112)	28,277,013	22,235,939	7,433,300	341,121	9,298,696	-	31,904	39,340,960	(63,208,786)	4,409,187
Accrued Interest Receivable and Other	2,979,404	-	-	2,979,404	3,125	25,826	5,220	421,108	-	433,921	889,200	-	3,868,604
Total Current Assets	42,391,293	838,527	(48,112)	43,181,708	22,310,552	7,509,168	370,227	9,975,646	-	2,071,509	42,237,102	(63,208,786)	22,210,024
<b>ASSETS LIMITED AS TO USE</b>													
Internally Restricted by Board for Capital Acquisition and Debt Service	6,167,298	-	-	6,167,298	-	-	-	-	-	-	-	-	6,167,298
Externally Restricted Under Residency Agreements	14,140,366	-	-	14,140,366	-	-	-	-	-	-	-	-	14,140,366
Externally Restricted Under Bond Indenture Agreements	427,123	-	-	427,123	-	-	-	-	-	-	-	-	427,123
Total Assets Limited as to Use	20,734,787	-	-	20,734,787	-	-	-	-	-	-	-	-	20,734,787
<b>INVESTMENTS</b>	35,782,842	16,209,060	-	51,991,902	-	-	-	-	-	-	-	-	51,991,902
<b>PROPERTY, PLANT, AND EQUIPMENT, NET</b>	136,232,850	-	-	136,232,850	35,125	135,990	1,897,396	34,943	39,161	66,539,947	68,682,562	-	204,915,412
Total Assets	<u>\$ 235,141,772</u>	<u>\$ 17,047,587</u>	<u>\$ (48,112)</u>	<u>\$ 252,141,247</u>	<u>\$ 22,345,677</u>	<u>\$ 7,645,158</u>	<u>\$ 2,267,623</u>	<u>\$ 10,010,589</u>	<u>\$ 39,161</u>	<u>\$ 68,611,456</u>	<u>\$ 110,919,664</u>	<u>\$ (63,208,786)</u>	<u>\$ 299,852,125</u>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATING BALANCE SHEET (CONTINUED)**  
**SEPTEMBER 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Westminster- Canterbury	Foundation	Eliminations	Obligated Group	WC at Home	Senior Options	S.O. Realty	Ballentine	Lynnhaven	S.O. Community	Nonobligated Group	Eliminations	Consolidated
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>													
<b>CURRENT LIABILITIES</b>													
Accounts Payable and Accrued Expenses	\$ 23,310,699	\$ 84,817	\$ (48,112)	\$ 23,347,404	\$ 16,413,187	\$ 8,151,857	\$ 2,190,898	\$ 1,533,563	\$ 738,705	20,973,777	\$ 50,001,987	\$ (63,208,786)	\$ 10,140,605
Accrued Interest	265,485	-	-	265,485	-	-	-	-	-	114,379	114,379	-	379,864
Reservation Fees	687,520	-	-	687,520	-	-	-	-	-	-	-	-	687,520
Current Portion of Refundable Advance Fees	367,000	-	-	367,000	-	-	-	-	-	-	-	-	367,000
Current Portion of Leases Payable	160,016	-	-	160,016	-	-	-	-	-	-	-	-	160,016
Current Portion of Long-Term Debt	1,420,000	-	-	1,420,000	-	-	-	-	-	767,005	767,005	-	2,187,005
Total Current Liabilities	26,210,720	84,817	(48,112)	26,247,425	16,413,187	8,151,857	2,190,898	1,533,563	738,705	21,855,161	50,883,371	(63,208,786)	13,922,010
<b>ADVANCE FEES AND DEPOSITS</b>													
Advance Fee Deposits	14,100,726	-	-	14,100,726	-	-	-	-	-	-	-	-	14,100,726
Refundable Advance Fees	9,517,332	-	-	9,517,332	-	-	-	-	-	-	-	-	9,517,332
Deferred Revenue from Advance Fees	118,111,564	-	-	118,111,564	-	-	-	-	-	-	-	-	118,111,564
Total Advance Fees and Deposits	141,729,622	-	-	141,729,622	-	-	-	-	-	-	-	-	141,729,622
Deferred Annuity Obligations	-	289,333	-	289,333	-	-	-	-	-	-	-	-	289,333
Leases Payable, Less Current Portion	24,596	-	-	24,596	-	-	-	-	-	-	-	-	24,596
Long-Term Debt, Less Current Portion	70,061,226	-	-	70,061,226	-	-	-	-	-	47,619,155	47,619,155	-	117,680,381
Other Liabilities	-	-	-	-	-	32,300	-	-	-	-	32,300	-	32,300
Total Liabilities	238,026,164	374,150	(48,112)	238,352,202	16,413,187	8,184,157	2,190,898	1,533,563	738,705	69,474,316	98,534,826	(63,208,786)	273,678,242
<b>NET ASSETS (DEFICIT)</b>													
Without Donor Restrictions	(2,884,392)	3,426,456	-	542,064	5,932,490	(538,999)	76,725	8,477,026	(699,544)	(862,860)	12,384,838	-	12,926,902
With Donor Restrictions:													
Purpose Restricted	-	10,994,582	-	10,994,582	-	-	-	-	-	-	-	-	10,994,582
Perpetual in Nature	-	2,252,399	-	2,252,399	-	-	-	-	-	-	-	-	2,252,399
Total Net Assets (Deficit)	(2,884,392)	16,673,437	-	13,789,045	5,932,490	(538,999)	76,725	8,477,026	(699,544)	(862,860)	12,384,838	-	26,173,883
Total Liabilities and Net Assets (Deficit)	\$ 235,141,772	\$ 17,047,587	\$ (48,112)	\$ 252,141,247	\$ 22,345,677	\$ 7,645,158	\$ 2,267,623	\$ 10,010,589	\$ 39,161	\$ 68,611,456	\$ 110,919,664	\$ (63,208,786)	\$ 299,852,125

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS**  
**YEAR ENDED SEPTEMBER 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Westminster- Canterbury	Foundation	Eliminations	Obligated Group	WC at Home	Senior Options	S.O. Realty	Ballentine	Lynnhaven	S.O. Community	Nonobligated Group	Eliminations	Consolidated
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>													
Resident Services, Including Amortization of Deferred Revenue from Advance Fees of \$13,139,170	\$ 56,338,196	\$ -	\$ -	\$ 56,338,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,836,051	\$ 4,836,051	\$ -	\$ 61,174,247
Home and Community Based Services	-	-	-	-	9,948,189	3,059,196	-	-	-	-	13,007,385	(783,873)	12,223,512
Contributions	(2,500)	595,587	-	593,087	-	-	-	-	-	-	-	-	593,087
Investment Income	1,737,716	77,723	-	1,815,439	-	-	-	55,737	-	-	55,737	(57,089)	1,814,087
Other Income - Employee Retention Credit	3,337,910	-	-	3,337,910	-	-	-	-	-	-	-	-	3,337,910
Other	1,629,155	-	-	1,629,155	14,122	-	215,984	466,138	-	150	696,394	-	2,325,549
Net Assets Released from Restriction	-	1,246,727	-	1,246,727	-	-	-	-	-	-	-	-	1,246,727
Total Revenues, Gains, and Other Support	63,040,477	1,920,037	-	64,960,514	9,962,311	3,059,196	215,984	521,875	-	4,836,201	18,595,567	(840,962)	82,715,119
<b>EXPENSES</b>													
Resident and Community Based Services	14,973,988	-	-	14,973,988	9,593,479	2,967,866	-	-	-	78,350	12,639,695	(783,873)	26,829,810
Dining Services	8,248,363	-	-	8,248,363	-	-	-	-	-	-	-	-	8,248,363
Housekeeping and Laundry	2,558,105	-	-	2,558,105	-	-	-	-	-	47,639	47,639	-	2,605,744
General and Administrative	14,733,260	393,029	-	15,126,289	-	37	135,737	629,524	21,711	1,509,305	2,296,314	(57,089)	17,365,514
Plant Maintenance	3,373,000	-	-	3,373,000	-	-	28,176	-	15,454	567,011	610,641	-	3,983,641
Depreciation and Amortization	10,176,046	-	-	10,176,046	11,801	-	47,862	-	-	1,900,167	1,959,830	-	12,135,876
Interest Expense	3,089,198	-	-	3,089,198	-	-	-	-	-	1,391,843	1,391,843	-	4,481,041
Fellowship Payments	-	916,353	-	916,353	-	-	-	-	-	-	-	-	916,353
Other	270,660	330,374	-	601,034	-	-	-	-	-	-	-	-	601,034
Total Expenses	57,422,620	1,639,756	-	59,062,376	9,605,280	2,967,903	211,775	629,524	37,165	5,494,315	18,945,962	(840,962)	77,167,376
<b>OPERATING INCOME (LOSS)</b>	5,617,857	280,281	-	5,898,138	357,031	91,293	4,209	(107,649)	(37,165)	(658,114)	(350,395)	-	5,547,743
<b>OTHER INCOME (LOSS)</b>													
Change in Estimated Value of Deferred Annuity Obligations	-	(14,709)	-	(14,709)	-	-	-	-	-	-	-	-	(14,709)
Net Unrealized Gains on Investments	2,197,329	231,529	-	2,428,858	-	-	-	-	-	-	-	-	2,428,858
Loss on Early Extinguishment of Long-Term Debt	(30,699)	-	-	(30,699)	-	-	-	-	-	-	-	-	(30,699)
Loss on Settlement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Income (Loss)	2,166,630	216,820	-	2,383,450	-	-	-	-	-	-	-	-	2,383,450
<b>EXCESS (DEFICIT) OF REVENUES, GAINS AND OTHER SUPPORT OVER (UNDER) EXPENSES AND CHANGE IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 7,784,487</b>	<b>\$ 497,101</b>	<b>\$ -</b>	<b>\$ 8,281,588</b>	<b>\$ 357,031</b>	<b>\$ 91,293</b>	<b>\$ 4,209</b>	<b>\$ (107,649)</b>	<b>\$ (37,165)</b>	<b>\$ (658,114)</b>	<b>\$ (350,395)</b>	<b>\$ -</b>	<b>\$ 7,931,193</b>

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF CHANGES IN NET ASSETS (DEFICIT)**  
**YEAR ENDED SEPTEMBER 30, 2023**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Westminster- Canterbury	Foundation	Eliminations	Obligated Group	WC at Home	Senior Options	S.O. Realty	Ballentine	Lynnhaven	S.O. Community	Nonobligated Group	Eliminations	Consolidated
<b>NET ASSETS (DEFICIT)</b>													
<b>WITHOUT DONOR RESTRICTIONS</b>													
Change in Net Assets (Deficit) Without Donor Restrictions	\$ 7,784,487	\$ 497,101	\$ -	\$ 8,281,588	\$ 357,031	\$ 91,293	\$ 4,209	\$ (107,649)	\$ (37,165)	\$ (658,114)	\$ (350,395)	\$ -	\$ 7,931,193
<b>PURPOSE</b>													
<b>RESTRICTED NET ASSETS</b>													
Contributions	-	846,870	-	846,870	-	-	-	-	-	-	-	-	846,870
Investment Gains	-	425,187	-	425,187	-	-	-	-	-	-	-	-	425,187
Net Change in Unrealized Losses on Investments	-	1,085,273	-	1,085,273	-	-	-	-	-	-	-	-	1,085,273
Net Assets Released from Restriction	-	(1,246,727)	-	(1,246,727)	-	-	-	-	-	-	-	-	(1,246,727)
Change in Purpose Restricted Net Assets	-	1,110,603	-	1,110,603	-	-	-	-	-	-	-	-	1,110,603
<b>PERPETUAL IN NATURE</b>													
<b>RESTRICTED NET ASSETS</b>													
Net Change in Unrealized Gains on Investments	-	7,217	-	7,217	-	-	-	-	-	-	-	-	7,217
Change in Perpetual in Nature Restricted Net Assets	-	7,217	-	7,217	-	-	-	-	-	-	-	-	7,217
<b>INCREASE (DECREASE) IN NET ASSETS</b>	7,784,487	1,614,921	-	9,399,408	357,031	91,293	4,209	(107,649)	(37,165)	(658,114)	(350,395)	-	9,049,013
Net Assets (Deficit) - Beginning of Year	(10,668,879)	15,058,516	-	4,389,637	5,575,459	(630,292)	72,516	8,584,675	(662,379)	(204,746)	12,735,233	-	17,124,870
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	<b>\$ (2,884,392)</b>	<b>\$ 16,673,437</b>	<b>\$ -</b>	<b>\$ 13,789,045</b>	<b>\$ 5,932,490</b>	<b>\$ (538,999)</b>	<b>\$ 76,725</b>	<b>\$ 8,477,026</b>	<b>\$ (699,544)</b>	<b>\$ (862,860)</b>	<b>\$ 12,384,838</b>	<b>\$ -</b>	<b>\$ 26,173,883</b>

## EXHIBIT 5

### WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY Income and Expense Pro Forma Fiscal Year 2023 and 2024

	BUDGET FY 2023	BUDGET FY 204	DOLLAR CHANGE	PERCENT CHANGE
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Resident & Health Services, including Amortization of Deferred Revenue from Advance Fees	\$54,794,711	\$57,579,652	\$2,784,941	4.8%
Home & Community Based Services	14,761,136	14,661,539	(99,597)	(0.7%)
Investment Income	1,141,675	1,203,718	62,043	5.2%
Other Operating Revenues	2,352,462	2,614,892	262,430	10.0%
Total Revenues, Gains, and Other Support	73,049,984	76,059,801	3,009,817	4.0%
<b>EXPENSES</b>				
Resident & Health Services	15,076,693	15,966,054	889,361	5.6%
Home & Community Based Services	13,898,747	14,153,882	255,135	1.8%
Dining Services	8,548,987	8,907,922	358,935	4.0%
Housekeeping & Laundry	2,649,044	2,975,916	326,872	11.0%
General & Administrative	14,851,896	16,289,237	1,437,341	8.8%
Plant Maintenance	3,195,301	3,412,840	217,539	6.4%
Depreciation & Amortization	10,296,185	10,514,586	218,401	2.1%
Interest Expense	3,283,079	3,151,109	(131,970)	(4.2%)
Other Expenses	374,672	269,314	(105,358)	(39.1%)
Total Expenses	72,174,604	75,640,860	3,466,256	4.6%
<b>DEFICIENCY OF REVENUES, GAINS, AND OTHER SUPPORT OVER EXPENSES</b>	875,380	418,941	(456,439)	(109.0%)
<b>OTHER CHANGES IN UNRESTRICTED NET ASSETS</b>				
Net Unrealized Gains (Losses) on Investments	0	0	0	----
	0	0	0	----
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	875,380	418,941	(456,439)	(109.0%)

## EXHIBIT 5 (Cont'd.)

### WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY

#### Income and Expense Pro Forma Fiscal Year Ending September 30, 2024

The following assumptions were used to develop the income and expense pro forma statement for 2024 (FY24).

#### **Budget Assumptions**

1. Occupancy:
  - ILU (East and West Towers): 409 out of 423 apartments (96.7%), of which couples occupy 92. The budget assumed that thirty (30) villas were taken offline in preparation for the Bay Tower expansion project.
  - Enhanced Services: 73 out of 80 apartments (90.6%)
  - Healthcare Services: 96 out of 108 beds (89.2%)
    - ✓ 22 Medicare average daily census
    - ✓ 7 Medicaid average daily census
2. Apartment Turnover (re-sales):
  - 42 ILU new move-ins
  - 38 ILU apartments budgeted for turnover
  - \$19.3 million of new entrance fees generated from new move-ins
3. Early Advantage
  - Assumed an average of 277 Residents per month.
  - \$5.2 million in new membership fees
4. Monthly Fees
  - 4.70% increase in monthly fees for all apartments
5. Entrance Fees
  - Average first-person fee of 4.5% (varies among apartment types)
  - Average second-person fee of 5.0%

#### **Operating Revenues**

1. Independent Living Revenue (5.7% increase)
  - 4.7% increase in the monthly fee
  - Reflects Villas being taken offline in preparation for the Bay Tower project.
  - Assumes WC Early Advantage revenue of \$500,000, based on a monthly average of 283 Residents at a monthly fee of \$138 per member.
2. Enhanced Services Revenue (14.7% increase)
  - 4.7% increase in the monthly fee
  - Assumes an average of 9 Direct Life Care and Community residents per month.

## EXHIBIT 5 (Cont'd.)

### WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY

#### Income and Expense Pro Forma Fiscal Year Ending September 30, 2024

3. Healthcare Services Revenue (6.2% increase)
  - 4.7% increase in the monthly fee
  - Assumes an average occupancy of 10 private-paying residents in Hoy 1A.
  - Assumes an average Medicare daily census of 22.
  - Assumes an average Medicare per Diem of \$554 compared to \$534 in FY23. Medicare per diem for FY2 is based on the current average reimbursement rate minus a forecasted 2.5% decrease in the Medicare per diem from CMS.
4. Revenue from Advance Fees (2.1% decrease)
  - Budget is based on a running five-year average.
  - Note – this line item generates no additional cash flow.
5. Ancillary Services Revenue (1.4% increase)
  - Assumes budget will remain relatively flat as compared to FY23.
6. Home and Community-Based Services Revenue (2.1% increase)
  - Home Care Services assumes \$1.0 million in revenue, driven by an average of 2600 billable hours per month at an hourly rate of \$32.50.
  - Hospice assumes \$6.4 million in revenue, driven by an average daily census of 105 at an average daily rate of \$166.14.
  - Home Health assumes \$3.9 million in revenue, driven by an average of 100 monthly episodes at an average rate of \$3,304.
  - Senior Options assumes \$3.2 million in gross revenue,
7. Dining and Catering Services Revenue (34.1% increase)
  - Increase is driven by additional catered events for the Opus Select residents and the greater community.
8. Other Operating Revenue (41.3% decrease)
  - Assumes no Employee Retention Credit (ERC) for FY24. \$2.8 million was budgeted for FY23.
9. Investment Income (5.4% decrease)
  - Assumes a 2.7% return on invested dollars.

#### **Operating Expenses**

1. Wages and Salaries (7.4% increase)
  - Assumes a 5.1% market adjustment (adding approximately \$1.5 million in FY24).
  - Assumes an increase of 3.3 Productive FTEs.

## EXHIBIT 5 (Cont'd.)

### WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY

#### Income and Expense Pro Forma Fiscal Year Ending September 30, 2024

2. Interest Expense (4.0% decrease)
  - Assumes a 3.20% interest rate on an average balance of the 2018 Bonds.
  - Assumes a 4.25% interest rate on an average balance of 2018 Truist Bank loan.
  - Assumes no interest on the TowneBank Line of Credit.
  - Lower principal balances contributed to the decrease in Interest Expense.
3. Depreciation Expense (2.1% increase)
  - Based on depreciation expense on FY24 routine capital budget of \$7.1M and existing assets, and the completion of projects currently sitting in CIP.
4. Employee Benefits (3.1% increase)
  - Increase is driven by higher payroll taxes and benefits due to additional wages and salaries.
5. Other and Expenses (4.4% increase)
  - Increase is driven by investment in Information Technology to upgrade and keep computer systems current.
  - Increase is inflation-driven as well.
6. Food Costs (7.5% Increase)
  - Increase is driven by Food CPI of 8.5% but was slightly lowered by negotiating better food rebates.
7. Utilities (17.5% increase)
  - Increase is driven by developing a more accurate budget with better quality assurance and using the services of an outside utility consultant.
8. Contracted Management Services (12.1% decrease)
  - Decrease is driven by insourcing a management position into the WCCB payroll.
9. Real Estate and Property Taxes (2.8% increase)
  - Increase is relatively flat and based on published property assessment tax rates.
10. Corporate Insurance (7.0% increase)
  - Increase is driven by a hardened insurance market.
11. Other Professional Fees (4.8 decrease)
  - Decrease is primarily driven by decreased utilization of outside consultants based on a 2-year trend.
12. Employee Related Expenses (1.0% increase)
  - Increase is relatively flat compared to FY23.



**EXHIBIT 5 (Cont'd.)**

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**

**Income and Expense Pro Forma**

**Fiscal Year Ending September 30, 2024**

13. Ancillary Costs (2.0% increase)

- The increase is driven by providing more Outpatient Therapy Services to residents. Services are reimbursed by Medicare Part B and secondary insurance.

**EXHIBIT 6****WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**  
**Statement of Operations and Other Changes in Unrestricted Net Assets**  
**For the Fiscal Year Ending September 30, 2023**

	ACTUAL FY 2023	BUDGET FY 2023	DOLLAR CHANGE	PERCENT CHANGE
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Resident & Health Services, including Amortization of Deferred Revenue from Advance Fees	\$56,338,196	\$54,794,711	\$1,543,485	2.8%
Home & Community Based Services	13,007,385	14,761,136	(1,753,751)	-11.9%
Contributions	(2,500)	0	(2,500)	----
Investment Income	1,737,716	1,141,675	596,041	52.2%
Other Income - Employee Retention Credit	3,337,910	0	3,337,910	----
Other Operating Revenues	1,859,241	2,352,462	(493,221)	-21.0%
Total Revenues, Gains, and Other Support	76,277,948	73,049,984	3,227,964	4.4%
<b>EXPENSES</b>				
Resident & Health Services	14,973,988	15,076,693	(102,705)	-0.7%
Home & Community Based Services	12,561,345	13,898,747	(1,337,402)	-9.6%
Dining Services	8,248,363	8,548,987	(300,624)	-3.5%
Housekeeping & Laundry	2,558,105	2,649,044	(90,939)	-3.4%
General & Administrative	14,869,014	14,851,896	17,118	0.1%
Plant Maintenance	3,401,176	3,195,301	205,875	6.4%
Depreciation & Amortization	10,235,709	10,296,185	(60,476)	-0.6%
Interest Expense	3,089,198	3,283,079	(193,881)	-5.9%
Other Expenses	270,660	374,672	(104,012)	-27.8%
Total Expenses	70,207,558	72,174,604	(1,967,046)	-2.7%
<b>EXPENSES</b>	6,070,390	875,380	5,195,010	593.5%
<b>OTHER CHANGES IN UNRESTRICTED NET ASSETS</b>				
Net Unrealized Gains (Losses) on Investments	2,197,329	0	2,197,329	----
Loss on Early Extinguishment of Debt	(30,699)			
Loss on Settlement	0	0	0	----
Other Income	0	0	0	----
	2,166,630	0	4,394,658	----
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	8,237,020	875,380	7,361,640	841.0%

**EXHIBIT 7**

**RESIDENCE AND SERVICES AGREEMENT**

## RESIDENCE AND SERVICES AGREEMENT

### Westminster-Canterbury on Chesapeake Bay Virginia Beach, Virginia 23451

Westminster-Canterbury on Chesapeake Bay (referred to in this Agreement as “Westminster-Canterbury”) is a nonprofit, nonstock corporation organized under the laws of the Commonwealth of Virginia to establish and operate Westminster-Canterbury on Chesapeake Bay as a residential community (the “Community”) for persons who have reached retirement age.

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(referred to in this Agreement as “You” or as “Resident”) has this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, entered into this **RESIDENCE AND SERVICES AGREEMENT** with Westminster-Canterbury, the terms of which are set out below.

#### **I. SERVICES AND FACILITIES**

Unless specifically noted otherwise in this Agreement, Westminster-Canterbury will furnish You with the lodging, personal services, nursing care, and facilities described in this Agreement during your lifetime beginning with your assigned occupancy date.

##### **A. Your Residence**

You have agreed that the Residence listed in **Article XII** (the “Residence”) will be your Residence. You will occupy your Residence within six months, following the occupancy date assigned to You by Westminster-Canterbury (your “assigned occupancy date”), and You will reside therein for at least 180 days during each calendar year. You will have a personal and non-assignable right to live in your Residence during your lifetime as called for in this Agreement. Your assigned occupancy date is listed in **Article XII**, and this date shall be not earlier than seven days after the execution of this Agreement by both parties.

##### **B. Furnishings in Your Residence**

Westminster-Canterbury will provide flooring, emergency signal equipment, a refrigerator with icemaker, range, oven, hood vent, and other furnishings, as described in the Community’s current literature. Where available, a microwave, dishwasher, washer and dryer, and a garbage disposal will also be provided. All other furniture, furnishings, decorations, and other personal properties will be provided by You.

**C. Options and Custom Features in Your Residence**

Westminster-Canterbury will provide and the Resident may select certain options and custom features at additional cost in the Residence, as described in the Community's literature. Any such options and custom features selected and paid for by You will become part of the Residence and the property of Westminster-Canterbury upon installation in your Residence. The value of such improvements will not be considered in computing refunds, and Westminster-Canterbury will have a vested ownership in such improvements.

**D. Common Areas and Amenities**

Westminster-Canterbury will provide common areas and amenities, such as a formal dining room, casual dining room, café, library, chapel, mailboxes, Starfish Pointe retail store, bank, lobby, multi-purpose room, auditorium, lounges, card and game room, arts and crafts room, woodshop, swimming pool, fitness room, beauty and barbershop, walking areas, on-site clinic, on-site Assisted Living residences, Nursing Care in an on-site Health Care Center, and other common areas and amenities described in the Community's current literature, for the use and benefit of all residents.

**E. Parking**

Westminster-Canterbury will provide and maintain a lighted parking garage and parking areas for your personal vehicle if You actively drive and use this vehicle regularly (limited to one vehicle for each resident) and parking for occasional guests. Your vehicle must display current inspection and registration decals and valid state license plates at all times. Inoperable or unused vehicles will be removed from the Westminster-Canterbury parking areas at your expense.

**F. Storage**

Westminster-Canterbury will provide limited assigned storage space outside the apartment for personal items on a space-available basis.

**G. Guest Privileges**

Westminster-Canterbury will provide guest rooms at selected locations throughout the Community. Residents may house guests overnight in their apartments or reserve space for them in one of these guest rooms in accordance with current published policies regarding time limits, applicable fees, and space priorities. These policies will be available to all residents and will be fully explained to You at your request.

**H. Services and Programs**

**1. Utilities**

Westminster-Canterbury will furnish heating, air-conditioning, electricity, water, sewer, and local telephone service with one telephone, basic cable television service, trash removal, and municipal services. You are responsible for all additional charges related to telephone and premium television service and wireless internet.

2. **Meals**

Westminster-Canterbury will make available to the Residents three nutritionally well-balanced meals each day served in the various dining areas. Meal options are available, and your Monthly Fee will reflect the program of your choice.

3. **Special Diets and Tray Service**

Meals containing substitute or special diets and tray services delivered to the Residence will be available when approved by authorized staff Residents at an additional cost to You.

4. **Housekeeping Services**

Westminster-Canterbury agrees to provide You with weekly housekeeping services, including vacuum cleaning, dusting, cleaning of baths and kitchens, and trash removal in the Residence. Other housekeeping options are available, corresponding to Monthly Fee adjustment. Additional housekeeping may be scheduled at your request and expense.

5. **Laundry**

Westminster-Canterbury will provide washers and dryers for all residents. (Bed and bath linens will be provided for residents in the East Tower where washers and dryers are not provided in each residence and for all residents in Assisted Living and Nursing Care in the Health Care Center.) Linen service for residents in the West Tower where washers and dryers are provided in each residence will be available at an additional cost to You.

6. **Groundskeeping**

Westminster-Canterbury will furnish basic groundskeeping service for the grounds, including lawn, tree, and shrubbery care. Subject to approval by Westminster-Canterbury, You may plant and maintain certain areas designated for such purposes by the Community.

7. **Maintenance and Repairs**

Westminster-Canterbury will maintain and keep in repair its improvements, furnishings, and equipment. You will be responsible for the cost of repairing damage to property of the Community caused by your negligence or the negligence of any of your guests, ordinary wear and tear excepted.

8. **Transportation**

Westminster-Canterbury will provide local transportation (in a defined area) for You regularly and transportation to local doctors and medical appointments at a nominal charge when scheduled by authorized staff. An additional charge may be made for transportation for special or group trips.

9. **Security**

Westminster-Canterbury will provide 24-hour security staffing. Emergency call devices and smoke detectors will be located in each Residence.

10. **Activities**

Westminster-Canterbury will provide planned and scheduled social, recreational, spiritual, educational, and cultural activities, arts and crafts, exercise and health programs, and other special activities designed to meet the needs of its Residents.

**I. Medical and Nursing Facilities and Services**

1. **Outpatient Facilities**

Westminster-Canterbury operates a Clinic on the premises where residents may be examined and treated as outpatients by appointment. Every effort will be made for physician(s) selected by Westminster-Canterbury to keep scheduled office hours at the Clinic. There is no obligation to use the Clinic or the physician selected by Westminster-Canterbury. You are free to engage the services of any physician or licensed health care professional of your choice at his or her office or elsewhere off the premises.

Westminster-Canterbury may make arrangements for the services of a physical therapist, occupational therapist, podiatrist, or other health professionals to be available to residents on the premises by appointment at their expense. You are free to engage the services of a licensed health care professional of your choice at his or her office or elsewhere off of the premises.

2. **Emergency and Special Services**

Westminster-Canterbury's health services personnel will be made available to You when You are confined to your Residence for temporary illnesses if Westminster-Canterbury deems this service advisable and in your best health care interest. Westminster-Canterbury will provide routine services for You at your request in your Residence through its health services personnel and will make appropriate charges to You for such services.

3. **The Health Care Center**

Westminster-Canterbury operates a licensed nursing facility, which provides skilled nursing care. If it is determined by Westminster-Canterbury that You need such care, Westminster-Canterbury will provide this care for 24 hours through qualified, licensed, or certified professionals. Other services include daily housekeeping, daily bed making, assistance with meals, special diets, bathing, dressing and other activities of daily living, medication monitoring, and dispensing, medical procedures as prescribed by a physician, and other nursing care services allowed by the regulations for licensure. When You reside in the Health Care Center, You will also be served three meals a day, and your Monthly Fee will reflect the charges for a three-meal plan. Laundry services are also available at your expense.

Westminster-Canterbury will maintain sufficient private and semi-private beds in the Health Care Center in accordance with state regulations to meet the reasonably anticipated needs of the Westminster-Canterbury population for nursing care. If no

accommodation is available in the Health Care Center, Westminster-Canterbury will care for You in your Residence, if this course of action is deemed reasonable by Westminster-Canterbury, until space becomes available. If Westminster-Canterbury determines that You cannot be cared for reasonably in your Residence, Westminster-Canterbury will arrange for your admission to another facility that can supply such care until an accommodation in the Health Care Center becomes available. While in the Health Care Center, You may employ private duty nurses and sitters at your own expense with the written approval of Westminster-Canterbury. Such private duty nurses and sitters shall be subject to Westminster-Canterbury's rules and regulations and must register with the Resident and Services Department.

4. **Assisted Living Services**

Westminster-Canterbury also provides limited assistance with activities of daily living to residents residing in areas designated for Assisted Living Services. If it is determined by Westminster-Canterbury that You need such care, Westminster-Canterbury will provide You with these services. Assisted Living Services provide assistance to residents who need more services than are available in the independent residences but do not require the 24-hour nursing services available in the Health Care Center.

Qualified staff are on duty 24 hours a day to assist with activities of daily living, such as bathing, dressing, and with medications. Three meals a day, housekeeping and linen services, physical therapy services, a planned schedule of activities, and assistance with beauty shop appointments are also available to Assisted Living residents. All services are provided under Westminster-Canterbury's general supervision and are designed to promote the highest level of independence possible for each resident.

While utilizing Assisted Living Services, You may employ private duty nurses and sitters at your own expense with the written approval of Westminster-Canterbury. Such private duty nurses and sitters shall be subject to Westminster-Canterbury's rules and regulations and must register with the Resident and Services Department. If You are utilizing Assisted Living Services, You may require three meals a day, and your Monthly Fee will reflect the charges for a three-meal plan.

5. **Changes in the Scope of Care or Services Provided**

Westminster-Canterbury may make changes in the scope of care or services provided hereunder, which shall become effective upon giving You at least 30 days prior notice of such changes or as otherwise required by State or Federal assistance programs.

6. **Staffing**

The areas designated for Assisted Living Services and the Health Care Center are staffed by qualified, licensed, and certified nursing staff 24 hours per day.



7. **Medical Director**

The overall condition and supervision of health care and medical services throughout the Community will be provided by a Medical Director, a licensed physician selected by Westminster-Canterbury.

8. **Charges**

Charges for Assisted Living, Home Care, Clinic, and Nursing Services, as described above, are set forth in Section II.C. of this Agreement.

9. **Personal Physician**

The Resident may choose to use the services of a personal physician and will be responsible for the fees charged by that physician.

**II. PAYMENT OF FEES, REIMBURSEMENT OF EXPENSES, AND INSURANCE**

**A. Entrance Fee**

1. **Amount**

You agree to pay to Westminster-Canterbury in full, by your assigned occupancy date, an Entrance Fee for your Residence in the amount set forth in **Article XII**. (See **Articles VI, VII, and IX** regarding the policy on refunds of the Entrance Fee.) Your Entrance Fee will not be changed during the term of this Agreement unless (i) another person begins to reside in your Residence, (ii) You move to another residence or (iii) unless otherwise required by State or Federal regulations. **Four percent (4%) of your total Entrance Fee is designated as a non-refundable Administration Fee used to cover a portion of the costs and expenses incurred by Westminster-Canterbury.**

2. **Refund Option**

You shall select one of the refund options outlined below by noting the appropriate number thereof in **Article XII.D**. This selection shall govern all refunds of the Entrance Fee applicable to your Residence:

The refund amounts shown below for the 50-Month Declining Balance Option and the 80% Refund Option reflect premiums in addition to the Standard Agreement Refund Option based on industry calculations by a financial consultant. You must select your refund option at the time of signing this Agreement. Your refund option may not be changed after the date that the balance of the Entrance Fee is paid.

Refund Option	Description	Refund Schedule
No. 1	Standard Agreement	Deduct a 4% administrative fee plus 2% per month after the assigned occupancy date for 48 months due to termination by Resident for reasons other than death; 4% administrative fee plus 2% per month after the assigned occupancy date if death occurs within 6 months after assigned occupancy date; No refund if the death of Resident occurs after 6 months.
No. 2	50-Month Declining Balance Agreement	Deduct a 4% administrative fee plus 2% per month after the assigned occupancy date for 48 months due to termination by Resident for any reason, including death; No refund due after 48 months from the assigned occupancy date.
No. 3	80% Refund Agreement (Age 84 and under)	Deduct 4% administrative fee plus 4% per month after the assigned occupancy date for four months, due to termination by Resident for any reason, including death; Refund is never less than 80% of the Entrance Fee paid for Residence.

3. **Terms of Payment of the Entrance Fee**

The terms of payment of the Entrance Fee are as follows:

(a) **Reservation Deposit**

A Reservation Deposit of \$1,000 will be paid upon the execution of the Reservation Agreement, or your Future Residency Program (FRP) waitlist deposit will be transferred to satisfy your reservation deposit at the time of reservation.

(b) **Ten Percent (10%) Deposit**

An amount equal to 10% of the total Entrance Fee for your Residence, less the \$1,000.00. Your 10% Deposit or \_\_\_\_\_ dollars is due and payable at the time of signing this Agreement.

(c) **Balance of Entrance Fee**

The balance of the Entrance Fee for your Residence will be due and payable on your assigned occupancy date and no later than 90 days from the date that this Agreement is signed by You, whichever event first occurs.

4. **Escrow Account**

Westminster-Canterbury will establish an escrow account with a bank or trust company selected by it upon the terms and conditions set forth in the Virginia Code. Westminster-Canterbury shall place in the escrow account any portion of the Entrance Fee received by it from You pursuant to this Agreement prior to the date that You are permitted to occupy your Residence.

**B. Monthly Fee**

1. **Amount**

You further agree to pay the Monthly Fee applicable to your Residence, as adjusted from time to time. **Article XII** of this Agreement sets out the current Monthly Fee for your Residence. Your Monthly Fee is due and payable in advance on the first business day of each month beginning with your assigned occupancy date, whether or not You occupy your Residence, and shall be prorated for any applicable period of less than one month. You are required to pay the Monthly Fee applicable to your Residence whether You are residing in your Residence, Assisted Living, or Health Care Centers, and this Monthly Fee shall be paid until your Residence is vacated, and all of your property is removed therefrom.

2. **Adjustments in the Monthly Fee**

The Monthly Fee is charged to provide the facilities, programs, and services described in this Agreement and is intended to cover the expenses associated with the operation and management of the Community. Westminster-Canterbury shall have the authority to adjust the Monthly Fee from time to time during the term of this Agreement as it in its discretion deems necessary to reflect changes in the cost of providing the facilities, programs, and services described herein consistent with operating on a sound financial basis and maintaining the quality of services called for herein. Any such adjustment in the Monthly Fee or other charges may be made by Westminster-Canterbury upon 30 days written notice to all Residents.

3. **Billing Procedures and Late Payment Charges**

You will be invoiced monthly for your Monthly Fee and for any services and supplies provided or obtained for You that are not included by Westminster- Canterbury as part of the Monthly Fee. Such invoices are due upon receipt. Without limiting its other rights and remedies, Westminster-Canterbury reserves the right to charge a late charge on all fees (including the Monthly Fee) and other charges that are not paid within 30 days of their due date.

**C. Health-Related Charges**

1. **Base Charges**

You agree to pay for all base charges for medical services rendered by Westminster-Canterbury or its agents to the extent they are excluded from the Monthly Fee, are not covered by public or private insurance or assistance programs, including Medicare, Medicaid and your supplemental insurance, or are not paid for directly

to Westminster-Canterbury, or its authorized representatives, by Medicare or any other supplemental insurance or assistance programs covering you, including, without limitation: (1) charges of any physician, physical therapist, occupational therapist, podiatrist or other health care professional whether provided in the Westminster-Canterbury clinic, the Health Care Center areas designated for Assisted Living Services or elsewhere; (2) hospital charges; and (3) ancillary charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices and other health-related items. You may choose to limit Westminster-Canterbury's obligation to pay base charges for medical services rendered by Westminster-Canterbury or its agents that are not included in your Monthly Fee, are not covered by Medicare, Medicaid, or some other public or private insurance or assistance programs covering your care or otherwise payable by You by selecting a limited medical care assistance option outlined in **Article XII.E**. This selection shall govern each party's obligation to pay the base charges for these services during the term of this Agreement.

2. **Continuance of Monthly Fee**

Should You qualify for Assisted Living Services in areas designated therefore or skilled nursing care in the Health Care Center or other designated areas, it is understood that You will continue to be charged the amount of your Monthly Fee for the Residence occupied by You at the time of transfer. In addition to the Monthly Fee, charges will be made for any additional meals needed to total three meals per day and other charges for ancillary services, as described above in Section C.1. of this **Article II**. This continuance of the Monthly Fee is known as the "True LifeCare" Benefit. The amount of the Monthly Fee may be reduced or terminated if you have selected a limited medical care assistance option in **Article XII.E**. hereof, are permanently transferred to an assisted living area or the Health Care Center, and are subsequently required to pay the community rate established by Westminster-Canterbury from time to time for services provided in the assisted living areas or the Health Care Center.

3. **Medicare and Supplemental Insurance**

If You have not already enrolled, You agree to (a) apply for and secure your enrollment in the Hospital Insurance Benefits Program under Part A of Public Law 89-67 (Medicare), or its successor program, and (b) during the next enrollment period following the filing of your application for admission to Westminster-Canterbury, apply, pay the premiums, secure and maintain your enrollment in the Supplemental Medical Insurance Benefits Program under Part B of Public Law 89-67, or its successor program. If You are not eligible for these programs, or they cease, You agree to obtain equivalent insurance coverage acceptable to Westminster-Canterbury. If You do not obtain such coverage, You agree to pay Westminster-Canterbury for all charges and for services rendered by Westminster-Canterbury that would have been reimbursed by such insurance. If at any time You become eligible for payments from other governmental agencies for health services, You agree to make an application for such payments. Westminster-Canterbury will assist You in filing insurance or other claims for services rendered by Westminster-Canterbury.

Upon request and direction of Westminster-Canterbury, You agree to execute an assignment of benefits to Westminster-Canterbury or the physicians staffing the Clinic or Health Care Center.

You agree to obtain and maintain a supplemental insurance policy acceptable to Westminster-Canterbury, such as Blue Cross Medicare Extended Major Medical, to pay Medicare co-insurance (co-pay) and deductible amounts, and provide major medical coverage up to a \$250,000.00 lifetime maximum. Should you fail or neglect to arrange for such coverage, you agree to pay Westminster-Canterbury for services rendered by its health care professionals (whether employees or agents), which would otherwise have been covered by such supplemental insurance.

**D. Reliance on Information Provided By You**

Please understand that in processing your application for admission, setting its fees and other charges, and calculating the financial assistance discussed below, Westminster-Canterbury relies heavily on the statements of health and financial condition provided by you. These statements must be completed as fully and accurately as possible. Therefore, you hereby represent that you have completed, or have caused to be completed in this manner, any such statements that you have provided to Westminster-Canterbury in connection with your application for admission.

**III. FINANCIAL ASSISTANCE**

**A. Financial Assistance Loans (“Fellowship”)**

“Financial Assistance” (defined below) is made available from time to time by and at the discretion of Westminster-Canterbury to those residents, it deems to need such assistance. While Westminster-Canterbury cannot guarantee that such assistance will always be available to all residents in need, it will try to make such assistance available to those residents who initially can demonstrate their need for such assistance or can show that their circumstances have changed through no fault of their own in such a way that they no longer can pay all fees and charges assessed pursuant to their Residence Agreement.

Westminster-Canterbury agrees to credit the sum established by it as a “Financial Assistance Credit” toward the payment of your Entrance Fee and/or the sum established by it as a “Monthly Financial Assistance Credit” toward the payment of your Monthly Fees. Westminster-Canterbury may at any time and at its sole discretion begin, increase, decrease, or terminate its Financial Assistance because of (a) changes in the cost of operating Westminster-Canterbury or (b) changes in your assets or income from the amounts shown on the financial statement included in your application.

All Financial Assistance Credits shall constitute a loan of such sums to You on the date that monies are credited to your account. These loans shall bear interest at the rate of 8% per annum from the credit date, compounded annually, until the date that the loan is fully paid. Principal and interest on Financial Assistance loans shall be due and payable (a) upon the reasonable determination by Westminster-Canterbury that changes in your financial condition allow for the repayment of all or part of the loan in addition to amounts You are then paying Westminster-Canterbury, (b) upon

your death, or (c) upon the termination of this Agreement. Westminster-Canterbury may credit amounts due for Financial Assistance provided to You against any refund owed to You. You agree to pay the reasonable costs (including attorney's fees) of collecting any debt resulting from Financial Assistance provided to you.

**B. Other Duties of Those Who Receive Financial Assistance**

You agree that if You receive Financial Assistance from Westminster-Canterbury, You will do the following:

- (1) Apply for and diligently seek the benefits of any public assistance program for which You might qualify, including Medicaid, Social Security, and Veteran's Pensions. Any benefits You receive may be taken into account in adjusting your Financial Assistance.
- (2) Report promptly to the administrator of Westminster-Canterbury any material increases in your assets or their value, whether the increase occurs by way of gift, inheritance, appreciation in value, or otherwise.
- (3) Refrain from transferring any material assets for less than their fair market value in money or money's worth, whether by gift or otherwise. If You are receiving Financial Assistance from the date of occupancy, You hereby represent that You have not transferred any material assets for less than their fair value in money or money's worth to any party in contemplation of your admission to Westminster-Canterbury.
- (4) At the request of Westminster-Canterbury, make arrangements for the preservation and management of your property by a third party (or parties), including, but not limited to, the execution and funding of a trust agreement for your benefit.
- (5) Execute any instruments (including notes, assignments, security agreements, and deed of trust) that Westminster-Canterbury deems necessary to evidence or secure the repayment of its Financial Assistance.
- (6) Upon request, provide Westminster-Canterbury with copies of your federal and state income and gift tax returns for the three years prior to such request.

**C. Spend-Down of Refundable Fees**

To ensure that Westminster-Canterbury's charitable funds benefit as many residents as possible, holders of Residence Agreements with active refund options (amounts due to residents) will be required to spend down the refundable portion of their Entrance Fee (less the Administrative Fee) to be eligible for Financial Assistance. Refundable Entrance Fees may be consumed and applied at the level requested by You to cover Monthly Fees and other Westminster-Canterbury fees once your income and other resources are insufficient to pay these fees. The term "insufficient resources" means that you do not have the necessary funds to pay all fees due to Westminster-Canterbury monthly and still retain a reasonable amount of disposable income needed to pay personal expenses. Westminster-Canterbury intends that residents will continue to have available the disposable income they would have under current Fellowship Policies during the spend-down

period. It will be your responsibility to contact Resident Services to review current Fellowship requirements and fill out the necessary forms to start the spend-down process. After review and approval of all forms, the Chief Financial Officer will notify you when spend-down funds are available and the effective date to start the spend-down process. You will receive periodic statements reflecting the remaining balance of your Entrance Fee. The spend-down process will continue until your Entrance Fee Balance is exhausted. Upon completing the spend-down process, you will qualify for Financial Assistance if you meet all of the Fellowship eligibility requirements, as stated in the Fellowship Policy. Any unused remaining balance of your Entrance Fee will still be refunded to you.

#### **IV. ADMISSION REQUIREMENTS AND PROCEDURES**

Residents become qualified for admission to Westminster-Canterbury upon satisfaction of the following requirements:

##### **A. Age**

The entrance requirements for residence at the Community are nondiscriminatory, except as to age, and the Community is open to both married and single men and women of all races and religions without regard to the place of former residence. Any rights to residential care benefits start at the age of 62.

##### **B. Personal Interview**

You will have interviews with representatives of Westminster-Canterbury prior to taking residency. Upon review of all information required to be furnished herein, additional personal interviews may be requested by Westminster-Canterbury.

##### **C. Reservation Agreement**

You have signed a Reservation Agreement.

##### **D. Disclosure Statement**

Westminster-Canterbury will provide You with a copy of the Disclosure Statement, which fully describes the organization, facilities, policies, services, fees, financial condition and projections, and other vital information related to the Community.

##### **E. Application Forms**

Upon entering into the Reservation Agreement, You have submitted for approval by the Westminster-Canterbury Admissions Committee, an Application for Admissions, a Personal Health History, a Physician completed Medical Screening Form, and a Confidential Financial Statement on forms provided by Westminster-Canterbury and copies of your current medical records.

##### **F. Admissions Committee**

The completed application forms will be submitted to the Westminster-Canterbury Admissions Committee. The Admissions Committee will review the forms submitted by You as a basis for initial acceptance into the Community and may request such additional information as it deems necessary for this purpose. The Committee will accept or deny your application based on admissions criteria and policies established by the Westminster-Canterbury Board of Trustees and will notify You promptly of its decision.

**G. Residence and Services Agreement**

Within 10 days after notification of application acceptance by the Admissions Committee, You have entered into this **RESIDENCE AND SERVICES AGREEMENT**.

**H. Health Requirements**

Prior to taking occupancy of your Residence, but within 30 days of occupancy, You will be required to be re-evaluated by our on-site Physician for a final health assessment and clearance. You also agree to provide, if requested by Westminster-Canterbury, such additional information as may be needed by the Admissions Committee to make a final decision concerning your admission to the Community. The Admissions Committee may also require an additional physical examination by the Westminster-Canterbury Medical Director or another physician selected by it. You shall be responsible for all costs connected with such physical examinations. If your health, as disclosed by the Physician's Report or the report from the additional physical examination or additional information requested by the Admissions Committee, is determined by the Admissions Committee to differ materially from that disclosed in your Personal Health History, Westminster-Canterbury shall have the right to decline your admission into the Community and to terminate this Agreement or in its discretion, to permit You to take occupancy of accommodations within Westminster-Canterbury that are more suitable to your needs based on your existing health status and the availability of alternate accommodations.

**I. Financial Requirements**

You must have assets and an income that will be sufficient under foreseeable circumstances to pay your financial obligations called for in this Agreement and to meet your ordinary living expenses. From time to time, the Community may require You to furnish updated financial information, and You agree to promptly provide such information.

**J. Representations**

Please understand that in processing your application for admission, setting its fees and other charges, and calculating the financial information discussed above, Westminster-Canterbury relies heavily on the statements of health and financial condition provided by You. These statements must be completed as fully and accurately as possible. Therefore, you do hereby affirm that the representations made in the application for admission, Personal Health History, confidential financial statement, and other documentation provided by You are true and correct and may be fully relied upon by Westminster-Canterbury as a basis for entering into this Agreement.

**V. PROPERTY RIGHTS**

You understand that this is an Agreement primarily for services. Though You are granted a right of occupancy, this Agreement is not a lease, and You will have no right, title, or interest in any of the real or personal property of Westminster-Canterbury. Your rights under this Agreement are personal and may not be assigned, transferred, inherited, or devised. Any rights, privileges, benefits, or interests created by or under this Agreement shall be subordinated to any mortgage, deed of trust, or other security interest on any of the premises or interests in the real estate of Westminster-Canterbury, and all amendments, modifications, replacements or refunds thereof. You agree to execute and deliver any document required by Westminster-Canterbury or by the holder of any mortgage or deed of trust to evidence or effect such subordination.



You agree that employees of Westminster-Canterbury shall have the right to enter your Residence at reasonable times and upon reasonable notice to perform housekeeping and maintenance functions, and at any time without notice, to respond to fire or medical alerts or for other emergency purposes.

Though Westminster-Canterbury will exercise reasonable care in providing effective security, You agree to ensure your property against casualty and theft loss and provide proof of such insurance upon request. Westminster-Canterbury shall not be responsible for the loss or damage of any of your property by theft or other cause.

Upon termination of this Agreement or your permanent transfer from your Residence to another level of care, all of your property must be removed from your Residence within three weeks thereafter. After three weeks, Westminster-Canterbury will have the right to remove your property and store it at your expense for an additional 30 days. All property not claimed and removed by the end of the 30 days shall become the property of Westminster-Canterbury to dispose of as it chooses without any liability to You or your estate. Your Monthly Fee is due and payable up to and including the date that your Residence is vacated and all of your property is removed therefrom.

You agree to reimburse Westminster-Canterbury for any costs incurred or damages suffered by it resulting from the actions of You or your guests. You hereby waive your right to make any claim against Westminster-Canterbury for and release Westminster-Canterbury from, any liability for your death or injury to your person or your property caused by any theft, fire, assault, or other cause beyond the control of Westminster-Canterbury and from any liability resulting from the unauthorized acts of the employees or agents of Westminster-Canterbury or the acts of any other person.

## **VI. REQUIRED TRANSFER AND SUBSEQUENT RELEASE OF YOUR APARTMENT**

Except in the event of a termination of this Agreement or case of emergency or as otherwise described in this **Article VI**, Westminster-Canterbury agrees not to transfer You from your Residence into another residence or facility within the Community until Westminster-Canterbury has, to the extent practicable, consulted with you, your physician, and a resident of your family or designated representative. In cases of emergency transfer, the consultations described above will be scheduled by Westminster-Canterbury within ten days of the transfer.

Westminster-Canterbury may transfer You to a hospital or other appropriate facility only (1) when it is determined by Westminster-Canterbury that You need to be transferred to the Health Care Center or an area where Assisted Living Services are available, but space is not available in these facilities or (2) when your condition is one that Westminster-Canterbury is not properly licensed, staffed or equipped to care for. Westminster-Canterbury may also transfer temporarily or permanently to another apartment, to an area where Assisted Living Services are available, or to the Health Care Center when it determines in its discretion that (1) your continued occupancy of your Residence constitutes a danger to other residents or yourself, or is otherwise detrimental to the peace or health of other residents or (2) your transfer is required to meet demonstrated needs

of the Westminster-Canterbury facility that promote the overall welfare of the resident community or provide for the orderly administration of Westminster-Canterbury's facilities and services.

When Westminster-Canterbury determines that your physical condition or conduct is such that You are no longer able to live in Westminster-Canterbury's independent living facility, then, after the consultations called for herein, Westminster-Canterbury may transfer You from your Residence to the Health Care Center or areas where Assisted Living Services are available, or if necessary, to a suitable public or private facility able to provide needed care for hospitalization, nursing care or other treatment, and Westminster-Canterbury shall have full authority and right to so transfer You without having to obtain your further consent.

If Westminster-Canterbury determines that the condition that required your transfer is not temporary, your Residence shall be released and made available to a new resident. If Westminster-Canterbury determines under this **Article VI** that You are to be permanently transferred to another residence within Westminster-Canterbury, your Monthly Fee will be adjusted and appropriate adjustments shall be made to your Entrance Fee. Westminster-Canterbury will publish as of October 1 of each year its policies governing Entrance Fee payments and refunds, Monthly Fees, refund schedules, and other financial consequences related to transfers of residents by Westminster-Canterbury to new residences within the Community during that calendar year. This information will be available to all residents and will be fully explained to You at your request. This Agreement shall be terminated if You need to be transferred permanently to another facility.

Any determination or decision by Westminster-Canterbury relating to your transfer or the release of your Residence may be appealed to the Westminster-Canterbury Board of Trustees, whose decision shall be binding on all parties.

## **VII. CHANGE OF APARTMENTS, MARRIAGE, OR DOUBLE OCCUPANCY**

### **A. Change of Apartments**

You may transfer to another residence within the Community with Westminster-Canterbury's prior written approval. This approval may not be granted until the apartment into which You are requesting to transfer has been available for occupancy for at least 30 days. If your request is due to a physical handicap or a financial hardship, the 30-day requirement may be waived. If your request is approved, You will have 24 hours to accept whichever residence, fits your description, Westminster-Canterbury will notify You in writing what is available, and if You accept this residence as your new Residence, Westminster-Canterbury will determine and assess the amount of any additional Entrance Fee, or any refund or credit thereof, which is appropriate to your new Residence. Your Monthly Fee shall become that which applies to your new Residence.

Westminster-Canterbury will publish as of October 1 of each year its policies governing Entrance Fee payments and refunds, Monthly Fees, refund schedules, and other financial consequences related to voluntary transfers by residents to new residences within the Community during that calendar year. This information will be available to all residents and will be fully explained to You at your request.

Westminster-Canterbury will provide and the resident may select certain options and custom features at additional cost in the residence. Any such options and custom features that are selected and paid for by the resident will become part of the residence and the property of Westminster-Canterbury upon installation. The value of any such improvements will not be considered in computing refunds and Westminster-Canterbury will have a vested ownership in such improvements,

Resident Services and the Re-Occupancy Manager will make an appointment with a transferring resident to walk through both the apartment being vacated and the new apartment. Except for paint, vinyl, and carpet, the resident must accept the apartment as is. Any changes they want to make will be at their expense. If the resident is not willing to accept the apartment “as is”, then they must wait for the next available apartment. They may hire their own contractor and make changes at their expense. The resident must leave the vacated apartment “as is” since all changes that were made there (cabinet change, build-ins, closet changes, etc.) belong to Westminster-Canterbury and remain with the apartment. If any exceptions are made, the resident is responsible for repairing or paying for the cost of repairing the walls, and removal of wallpaper, cabinets, or other areas where those changes were made.

If a resident has special needs, they will be referred to Resident Services.

Residents moving to a larger apartment will pay the appropriate transfer fee and the additional entrance fee for the larger apartment (current year to the current year). The additional entrance fee is equal to the difference between the current entry fee of the new apartment less the current entry fee of the apartment being vacated.

Residents making an in-house transfer will also pay the monthly fee on their existing apartment until it is occupied, not to exceed 90 days, to compensate for the vacancy created.

Residents requesting upgrades will meet with the Re-Occupancy Manager to review changes, selections, and costs. Residents may need to hire outside contractors for special changes. If Westminster-Canterbury is willing to make those changes, the resident will be presented with a statement of cost and will sign off on that statement before changes are made.

Any outside contractors must be presented to the Re-Occupancy Manager and be approved by Buildings and Grounds. Outside contractors will be responsible for any damage to Westminster-Canterbury property caused by their work and installation.

## **B. Marriage or Double Occupancy**

Co-occupants may not occupy an apartment smaller than a Master Studio. See **Article IX** for additional terms relating to persons who are co-occupants of a residence.

If You marry a non-resident after becoming a resident, or You are married but your spouse has not yet also become a resident of Westminster-Canterbury, your spouse may reside with You at Westminster-Canterbury on the following terms and conditions:

1. If your spouse is at least 62 years old and is otherwise qualified to be admitted to Westminster-Canterbury, both of You shall enter into a new **RESIDENCE AND SERVICES AGREEMENT** (yours will be a modification of your old agreement) in which **Article XI** is made effective. (You may be required to sign your spouse's **RESIDENCE AND SERVICES AGREEMENT** as a guarantor.) The Entrance Fee for Your Residence in which both of You will reside shall be based on that fee for double occupancy which is currently in effect for such residence, and the Monthly Fee for Your Residence will be the Monthly Fee currently in effect for two individuals living in that residence. Any refund due You of a portion of your old Entrance Fee or payment of additional funds from You shall be determined as if You have changed residence pursuant to Part A of this **Article VII**.
2. If your spouse is not yet 62 years old or is otherwise not qualified to be admitted as a LifeCare resident into Westminster-Canterbury, your spouse may be allowed to reside with You in Westminster-Canterbury until your **RESIDENCE AND SERVICES AGREEMENT** is terminated (whether by your death or otherwise). Your spouse will be required to execute a separate boarding agreement acknowledging: (i) that he/she may reside in Westminster-Canterbury for only so long as your **RESIDENCE AND SERVICES AGREEMENT** remains in effect, (ii) that he/she will abide by all rules and regulations established by Westminster-Canterbury, and (iii) that he/she will have no rights to any of the health-related services offered by Westminster-Canterbury under the terms of this Agreement, including those described in Part I of **Article I** hereof unless they are separately paid for on a fee-for-service basis. Your Agreement will be modified to obligate You to pay the Monthly Fee applicable for two persons occupying Your Residence in which both of You will reside. In the event You must transfer to another residence to reside with your spouse, any refund due to You of your original Entrance Fee or payment of additional funds from You shall be determined pursuant to Part A of **Article VII**.

All portions of this Part B of **Article VII** shall also apply to situations where persons who are not married desire to occupy the same apartment and one of them is not yet a resident of Westminster-Canterbury.

Regardless of the age of your spouse, if your spouse is otherwise not eligible to be admitted into Westminster-Canterbury even pursuant to (b) above (e.g., without limitation: your spouse cannot care for himself/herself or Westminster-Canterbury is not licensed to care for his/her condition), You may terminate this Agreement, as provided for in Part A of **Article IX**.

Similar adjustments will be made by Westminster-Canterbury in the event You, subsequent to your assigned occupancy date, request to live in the same apartment with another resident of Westminster-Canterbury. Both You and the other resident will be required to sign new **RESIDENCE AND SERVICES AGREEMENTS** in which **Article XI** becomes operative, and your respective Entrance Fees and Monthly Fees shall be credited to the new fees to which each of You is obligated for Your Residence in which both of You are going to reside. For purposes of determining any refund of the Entrance Fee caused by the two of You living in the same apartment, Part A of **Article VII** shall control.

Of course, any request to move to a new apartment will be subject to space availability and the related terms set forth in Part A of **Article VII**.

### **VIII. RIGHT TO RESCIND AGREEMENT**

You may rescind this Agreement, without penalty or forfeiture, for seven days after signing it. You will not be required or allowed to move into Westminster-Canterbury prior to the expiration of the seven-day period.

### **IX. TERMINATION AND REFUNDS**

#### **A. Termination By Resident Prior to Assigned Occupancy Date**

This Agreement may be terminated by You for any reason within 30 days after signing it (an additional 23 days in excess of your seven-day right of rescission provided for above) and on or before your assigned occupancy date, whichever event first occurs, by giving prompt written notice of such termination to the President of Westminster-Canterbury. In the event of such termination, You will receive a full refund of all money paid by You to Westminster-Canterbury less any costs incurred by it at your written request. In the event You terminate this Agreement at any time after such 30 days or your assigned occupancy date, whichever event first occurs and prior to your assigned occupancy date, You will receive a refund of all money paid to Westminster-Canterbury by You less an administrative charge equal to four percent (4%) of the total amount of the Entrance Fee applicable to your Residence as set forth in **Article XII.C** hereof.

No administrative fee will be made, however, if such termination is due to your death or the death of your spouse or the fact that your physical, mental, or financial condition or that of your spouse no longer makes You or your spouse eligible for entrance into the Community.

#### **B. Termination by Resident After Assigned Occupancy Date**

Once your assigned occupancy date arrives and from then on, You have the right to terminate this Agreement for any reason at any time, by giving written notice at least 30 days before the desired termination date to the President of Westminster-Canterbury. If you terminate this Agreement pursuant to the preceding sentence, You may be entitled to receive a refund of a portion of the Entrance Fee paid by You, as provided for in Appendix I to this Agreement and subject to the conditions set forth in Section F of this Article.

#### **C. Termination by Westminster-Canterbury**

To remain a resident of Westminster-Canterbury, You must comply with the terms of this Agreement and the rules and regulations promulgated by Westminster-Canterbury, and You must make all payments when due. Even if your physical condition deteriorates, You may remain a resident of Westminster-Canterbury, provided it has the space available and is sufficiently staffed and properly licensed to care for your condition.

Notwithstanding the foregoing, Westminster-Canterbury shall have the right to terminate this Agreement without liability if a material deterioration occurs in your physical or mental condition between the time of the physical examination conducted in connection with your application and the time You move into your Residence. If Westminster-Canterbury exercises its right to terminate,

for this reason, You shall receive a full refund of all amounts You have paid to Westminster-Canterbury except any costs incurred by Westminster-Canterbury at your written request, which request shall be appended to this Agreement and signed by both parties.

To comply with the terms of this Agreement, You must conduct yourself in such a way that this Agreement is not subject to being terminated as set forth below. Westminster-Canterbury shall have the right to terminate this Agreement by the action of its Board of Trustees for any cause which, in the judgment and sole discretion of the Board shall be good and sufficient. Good and sufficient cause shall be limited to the following: (1) Westminster-Canterbury reasonably believes You are a danger to yourself or others, (2) You have failed to pay the Monthly Fees and/or other charges that may be assessed pursuant to this Agreement, (3) You have persistently failed to abide by the written rules and regulations of Westminster-Canterbury (which shall include all of the obligations imposed upon you by this Agreement), including such amendments as may be properly adopted from time to time, or (4) You repeatedly conduct yourself in a manner that interferes with the quiet enjoyment of the facilities by other residents or the orderly administration of the facilities by Westminster-Canterbury personnel.

You agree that a decision by the Board of Trustees of Westminster-Canterbury to terminate this Agreement for "good and sufficient cause" shall be binding on all parties. Westminster-Canterbury shall give you reasonable, prior written notice of your termination date, and a determination that your continued occupancy presents a threat to the safety of others or yourself shall be a factor in determining the reasonableness of that notice.

If Westminster-Canterbury terminates this Agreement, You may be entitled to receive a refund of a portion of the Entrance Fee paid by you as provided for in the Appendix to this Agreement and subject to the conditions set out in Section F of this Article.

Should Westminster-Canterbury seek to terminate this Agreement as set forth above, You will receive written notice of and a reasonable opportunity to cure, within a reasonable period, whatever conduct is alleged to warrant the termination of the agreement.

**D. Termination by Reason of Death**

If You die prior to your assigned occupancy date, this Agreement shall terminate automatically upon your death, and your estate shall receive a full refund of all money paid to Westminster-Canterbury or due to You under the terms of this Agreement, except for costs incurred by Westminster-Canterbury at your written request, which request shall be signed by both parties. If You die on the assigned occupancy date or at any time thereafter, this Agreement shall terminate automatically upon your death. Your estate may be entitled to receive a refund of a portion of the Entrance Fee paid by You, as provided for in Appendix I to this Agreement and subject to the conditions set out in Section F of this Article.

**E. Termination When the Apartment Is Occupied by More Than One Resident**

If You are one of two residents sharing an apartment and the other resident dies or is permanently transferred to the Assisted Living Center or the Health Care Center or his/her **RESIDENCE AND SERVICES AGREEMENT** is otherwise terminated, You may continue to live in your Residence, or You may transfer to another residence in accordance with **Article VII.A.** of this Agreement. You will not receive any refund of the Entrance Fee because of the termination of the other

resident's **RESIDENCE AND SERVICES AGREEMENT**. If You die or your **RESIDENCE AND SERVICES AGREEMENT** is otherwise terminated prior to the other resident's death or the termination of his/her **RESIDENCE AND SERVICES AGREEMENT**, You or your estate may be entitled to a refund of a portion of the Entrance Fee paid by You as provided for in Appendix I to this Agreement.

**F. Conditions of Refund and Duties Upon Termination**

If You terminate this Agreement, the refund of a portion of the Entrance Fee to which You may be entitled under the Appendix to this Agreement shall be due 30 days after the assigned occupancy date of the new resident who has signed a **RESIDENCE AND SERVICES AGREEMENT** with Westminster-Canterbury to occupy your Residence. In all other cases, any refund to which You or your estate is entitled shall be due 30 days after your termination date. You are obligated to pay Monthly Fees through the date that You vacate your Residence and remove all of your property therefrom. In no event shall Westminster-Canterbury be obligated to refund more than one month's payment of the Monthly Fees You have paid. No refund of any portion of the Entrance Fee shall be due as a result of your transfer to an area designated for Assisted Living Services or the Health Care Center or to another institution or facility unless this Agreement is terminated in accordance with its terms.

Upon termination of this Agreement for any reason, You agree to pay Westminster-Canterbury all amounts owed to it and any reasonable expenses incurred in connection with your termination, including costs of any repairs or replacements of property, or any painting or other refurbishment of your Residence, considered necessary by Westminster-Canterbury to prepare it for a new resident. Westminster-Canterbury may deduct any amounts owed by You from any refund due.

For purposes of computing refunds of the Entrance Fee, but not your eligibility for such a refund, a partial calendar month of more than fifteen days shall be treated as a full month, and a partial calendar month of fifteen days or less shall be ignored. Your assigned occupancy date shall be counted as a full day.

**X. MISCELLANEOUS**

**A. Confidentiality of Personal Information**

All personal financial information and individually identifiable health information supplied by You shall be used solely for the purposes for which it was requested or as otherwise required by Westminster-Canterbury to provide the services set forth herein. This information shall be treated as confidential, subject to standard disclosures necessary (i) to carry out or facilitate medical treatment, (ii) for insurance, billing, or operations purposes, (iii) to comply with an authorization or request that You have made in writing; (iv) to comply with legal process; or (v) for other healthcare-related purposes allowed by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and other applicable laws.

**B. Rules of Westminster-Canterbury**

You agree to abide by the Westminster-Canterbury rules and regulations, including any reasonable changes that may be adopted by Westminster-Canterbury.

**C. Residents' Association**

Westminster-Canterbury has assisted in organizing a Residents' Association and will confer regularly with representatives of the Association about matters of concern to residents. Westminster-Canterbury retains all authority regarding admission, dismissal, adjustment of fees, and management of Westminster-Canterbury. No resident shall have the right to prevent the admission of a new resident or the termination of another resident's **RESIDENCE AND SERVICES AGREEMENT** or to protest the fees charged or Financial Assistance rendered to any other resident.

**D. Preservation of Your Assets**

At the request of Westminster-Canterbury, You agree to make arrangements for the preservation and management of your property by a third party (or parties), including but not limited to the execution and funding of a trust agreement for your benefit whenever, in the sole judgment of Westminster-Canterbury, it appears that your continued management of your property may place You in need of Financial Assistance from Westminster-Canterbury. Upon request, You agree to provide Westminster-Canterbury with a complete financial statement, including copies of your federal and state income and gift tax returns for the three years prior to such request.

**E. Injury by a Third Party**

If You are injured as a result of the acts of a third party, that third party may be liable for the cost of any medical, surgical, nursing, or additional care resulting therefrom. You or your personal representative shall notify Westminster-Canterbury promptly if You are injured by a third party and will pursue diligently any claim for damages, which may be due from a third party or parties for that injury. Westminster-Canterbury is not required to bear the cost of care made necessary by the acts of third parties, and You agree to indemnify Westminster-Canterbury for any expenses incurred by Westminster-Canterbury in providing such care up to the amount of any net recovery You may collect as a result of the acts of such third party. Any funds You may recover as a result of such an injury are hereby assigned to Westminster-Canterbury to the extent necessary to reimburse Westminster-Canterbury for the charges for providing care made necessary by such injuries, and this assignment may be enforced by Westminster-Canterbury against your estate or other property.

**F. Waiver, Representations, Binding Effect, Construction, and Governing Law**

The failure of Westminster-Canterbury in any one or more instances to insist upon your strict performance, observation, and compliance with any of the terms or provisions of this Agreement, or Westminster-Canterbury's waiver of your breach of this Agreement, shall not be construed to be a waiver or relinquishment of its right to insist upon your strict compliance with all the terms and provisions of this Agreement in every other instance and to make any claim or enforce its



rights with respect thereto. Westminster-Canterbury's representatives have made no promises or representations regarding your Residence, facilities of Westminster-Canterbury, refunds, or services to be provided other than those specifically set out in this Agreement. You understand that none of the sponsoring organizations of Westminster-Canterbury (Episcopal Diocese of Southern Virginia and the Presbytery of Eastern Virginia of the Presbyterian Church) are parties to this Agreement, and You hereby represent that You have not relied on the creditworthiness or sponsorship of any such sponsoring organization as an inducement to execute this Agreement. This Agreement constitutes the entire contract between You and Westminster-Canterbury with respect to the specific matters detailed herein and supersedes all previous discussions and understandings, written or oral, between the parties with respect thereto. This Agreement may not be amended except as set forth in **Article XI**. This agreement, including its validity, the capacity of the parties hereto, its form, interpretation of its language, and any questions concerning its performance and discharge, shall be governed by and construed in accordance with the laws and judicial decisions of the Commonwealth of Virginia.

Your application, financial statement, and health history statement filed with Westminster-Canterbury are hereby incorporated in this Agreement by reference and all statements contained therein are represented by You to be true. All references in this Agreement to masculine pronouns and adjectives shall be deemed to include the feminine and vice versa. All headings contained in this agreement are for convenience only and do not affect the terms of the Agreement. The duties owed Westminster-Canterbury under this Agreement shall inure to the benefit of its successors and assigns. The failure of Westminster-Canterbury or You to insist upon the compliance of any provision of this Agreement by the other party at a particular time or date shall not be deemed a waiver of such provision at some later date.

**G. Power of Attorney**

You agree to execute under seal and maintain in effect a Limited Power of Attorney valid under Virginia law. This Power of Attorney shall designate as your attorney a bank, lawyer, or other responsible person or persons of your choice to act for You in managing your financial affairs and filing for insurance or other benefits under private and public assistance programs as fully and completely as You could act if acting personally and shall be in a form which survives your incapacity or disability and is otherwise satisfactory to Westminster-Canterbury. You will be required to deliver a fully executed copy of this Power of Attorney to Westminster-Canterbury prior to occupancy of your Residence. You agree to keep Westminster-Canterbury informed of the identity of the Executor of your estate, the location of your will, and your funeral plans.

**H. Assignment Rights and Privileges of Resident Under This Agreement**

Residence, Common Areas, Amenities and Services, and Programs of the Community are personal to the Resident, and they may not be transferred or assigned in any way by the Resident or any other party. Except as otherwise set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of Westminster-Canterbury and the heirs, executors, administrators, and assigns of the Resident.

**XI. CO-OCCUPANT (To be used with a married couple or two persons sharing an apartment)**

An identical **RESIDENCE AND SERVICES AGREEMENT** is being made contemporaneously by Westminster-Canterbury with \_\_\_\_\_ (your “Co-Occupant”), who will share your Residence with You. The Entrance Fee and Monthly Fee set out in this Agreement represent the total Entrance Fee and Monthly Fee for two persons occupying your Residence. The **RESIDENCE AND SERVICES AGREEMENT** of your Co-occupant requires the payment of identical fees. While only one Entrance Fee and a single Monthly Fee are due from the two of you, Westminster-Canterbury has not determined which portion of such fees are due and payable from or are paid by each of you. Any money that may be due and owing as a refund of the original Entrance Fee pursuant to the terms of this Agreement shall be paid to the last occupant of your Residence.

Westminster-Canterbury shall have no obligation to determine what portion of such money may be claimed to be or may actually be the property of other parties and shall not be required to account for the payment of any such money to the last occupant of your Residence. A small portion of the Entrance Fee may be paid to the first Co-occupant who dies or whose **RESIDENCE AND SERVICES AGREEMENT** is otherwise terminated on or after the assigned occupancy date as hereinafter provided. If your Co-occupant predeceases You or his/her **RESIDENCE AND SERVICES AGREEMENT** is otherwise terminated, You agree to pay the Monthly Fee then applicable for a single person occupying your Residence.

If You predecease your Co-occupant on or after the assigned occupancy date, your estate may be entitled to a refund of a portion of the Entrance Fee paid by You, as provided for in Appendix I to this Agreement.

If your **RESIDENCE AND SERVICES AGREEMENT** is terminated by You or by Westminster-Canterbury for any reason on or after the assigned occupancy date and prior to the termination of the **RESIDENCE AND SERVICES AGREEMENT** of your Co-occupant, You may be entitled to a refund of a portion of the Entrance Fee paid by You, as provided for in Appendix I to this Agreement.

Any refund of the Entrance Fee to You or your Co-occupant shall be determined by using the earlier assigned occupancy date of You or your Co-occupant.

**XII. RESIDENCE NUMBER, ASSIGNED OCCUPANCY DATE, AND SCHEDULE OF FEES**

A. **Residence Number/Unit Style** \_\_\_\_\_  
Your Residence listed here  
will be your residence.

B. **Projected/Assigned  
Occupancy Date** \_\_\_\_\_

C. **Schedule of Fees**

1. **Entrance Fees**  
  
The entrance fee  
applicable to your residence \_\_\_\_\_

Payment(s) received as of the date  
of this agreement \_\_\_\_\_

Balance due by assigned  
occupancy date \_\_\_\_\_

2. **Monthly Fees**  
  
Monthly fee currently applicable  
to your Residence \_\_\_\_\_

D. **Refund Option Number** \_\_\_\_\_

Your selected refund option listed here will govern all refunds of Entrance Fees related to your Apartment. Accordingly, the only provisions of Appendix I to this Agreement that apply to You are those that relate directly to your selected refund option. All available refund options are fully explained in Appendix I.

E. **Limited MedicalCare** \*  
**Assistance Option No.** \_\_\_\_\_  
(Resident must initial first page of selected Option)

Your selection of a limited medical care assistance option will limit the obligation of Westminster-Canterbury to pay the base charges for medical services rendered by Westminster-Canterbury or its agents that are excluded in your Monthly Fee, are not covered by Medicare, Medicaid, or other public or private insurance or assistance programs covering your care or otherwise payable by you as provided for in Section II.C. of this Agreement. Accordingly, your payment for a portion of

these medical services will be regulated by the provisions of the limited assistance option selected by You and more fully explained in Appendix II to this Agreement.

It is important that You read and understand other Articles of this Agreement that further explain the Entrance Fee, Monthly Fee, and terms of Financial Assistance. Your attention is particularly directed to the following Articles:

**Article I-G: Meals and Personal Services**

**Article I-H: Medical and Nursing Facilities and Services**

(Long-term care or nursing home insurance may not be necessary since Westminster-Canterbury provides these services without further cost to you. However, You may wish to review the continued need for this insurance with your insurance advisor.)

**Article II-A, B&C: Payment of Fees and Charges**

(Your Monthly Fee will be adjusted from time to time. Typically, a 30- day notice of Monthly Fee changes will be given each year at the end of August and the new Monthly Fee will be effective as of the following October 1.)

**Article II-C: Medicare and Supplemental Insurance**

(Please remember that You have agreed to carry Medicare Parts A and B and the Medicare supplemental insurance that covers “skilled” nursing care or other equivalent insurance coverage acceptable to Westminster-Canterbury. If You do not obtain such coverage, or your coverage is less than the standard coverage required by this Agreement, You will personally be responsible for paying all charges and costs for medical services provided by Westminster-Canterbury that would have been paid for by such insurance. Skilled nursing care, medications, supplies, therapies, and oxygen are some of the medical services or supplies that will be billed to You if You do not carry the required insurance.)

**Article III: Financial Assistance**

**Article V: Property Rights**

(You will need to insure your furnishings and other personal property in your Residence with a standard renter's insurance policy, which includes physical damage coverage and personal liability coverage for You. You will also need an additional liability coverage policy that insures the community and other resident’s personal property against accidental or unintentional acts, caused by You, which damaged property or injured someone else. Please contact your insurance agent to help You purchase this insurance and review your policy limits to ensure your exposure for liability back to WC is covered, as well as your own personal property and contents prior to moving into your Residence. A copy of your active policy must be provided to WC prior to moving into your Residence.)

**Article VI: Required Transfer and Subsequent Release of Your Apartment**

**Article VII: Change of Apartments, Marriage, or Double Occupancy**

**Article IX: Termination of this Agreement**

## **XII. AMENDMENTS TO THIS AGREEMENT**

Westminster-Canterbury reserves the right to amend this Agreement from time to time in its discretion without Resident's consent so long as such amendment is needed (1) to cure any ambiguity, inconsistency, or omission in the terms of this Agreement or (2) to comply with the Federal, state or local laws, rules or regulations that apply to Westminster-Canterbury or the Community and any of its programs, or (3) make any other change considered necessary by Westminster-Canterbury that does not in either case in Westminster-Canterbury's opinion have an adverse economic impact or consequence of a material nature on the rights or obligations of Resident hereunder. All amendments to this Agreement must be in writing, signed by Westminster-Canterbury, and attached to this Agreement. Amendments other than those set forth above must also be signed by you.

**The foregoing section is a voluntary agreement to resolve any dispute that may arise in the future between the parties relating to this Agreement or the Resident's Occupancy and Care in the Community by arbitration. In arbitration, a neutral third-party arbitrator acceptable to Westminster-Canterbury and Resident determines the merits of any dispute between the parties as opposed to a judge or jury in court.**

## **XIII. OTHER INFORMATION**

Westminster-Canterbury is licensed by:

Department of Social Services  
Commonwealth of Virginia  
Tidewater Regional Office  
Pembroke Four Building, Suite 4  
Virginia Beach, Virginia 23462

Department of Health  
Commonwealth of Virginia Center  
for Quality Health Services and  
Consumer Protection  
3600 West Broad Street  
Suite 216  
Richmond, Virginia 23230

IN WITNESS WHEREOF, Westminster-Canterbury and You have executed this Agreement as of the day and year first above written.

WESTMINSTER-CANTERBURY  
ON CHESAPEAKE BAY

BY: \_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
RESIDENT SIGNATURE

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
WITNESS

**GUARANTY**

To induce Westminster-Canterbury on the Chesapeake Bay, to enter into the foregoing Residence and Services Agreement with the Resident, and in consideration of the sum of one dollar paid to the undersigned, the receipt of which is hereby acknowledged, the undersigned hereby guarantees to Westminster-Canterbury the payment by Resident of all fees, and the performance by the Resident of all the other terms, covenants, obligations and conditions of this Agreement. Notice of all defaults, extensions of time, and modifications of terms is waived, and consent is hereby given to all extensions of time and modifications of terms that Westminster-Canterbury may grant.

Date: \_\_\_\_\_ (SEAL)

Date: \_\_\_\_\_ (SEAL)

## WESTMINSTER-CANTERBURY IN VIRGINIA BEACH

### Summary of Responsibilities

Below is a list of some of the services and facilities Westminster-Canterbury will provide under its standard Residence and Services Agreement, and some of the expenses for which each resident will remain responsible.

Please understand that the following is a summary and not a complete list. We urge You and your personal advisors to read the Residence and Services Agreement in full, rather than rely on this capsule presentation of certain of its features. If this list differs in any respect from the Residence and Services Agreement, the Residence and Services Agreement shall control.

#### I. Westminster-Canterbury will provide

- |           |                         |  |
|-----------|-------------------------|--|
| <b>A.</b> | An apartment with:      | <u>Optional furnishings where available:</u> |
|           | - flooring              | - microwave                                  |
|           | - window coverings      | - dishwasher                                 |
|           | - refrigerator          | - washer and dryer                           |
|           | - range                 | - garbage disposal                           |
|           | - emergency call system |  |
- B.** Utilities
- water
  - heat
  - air-conditioning
  - electricity
  - local telephone service with one telephone
  - basic TV service
- C.** Maintenance of building, grounds, and furnished appliances
- D.** Certain common spaces may be reserved for your private use from time to time, including
- limited storage space
  - mailbox
  - parking space
  - guest rooms
- E.** One meal a day unless You contract for other options



- F. Weekly maid service for housekeeping unless you decline this service (weekly changes of bed linens and towels if no washer and dryer is provided in your Residence)
- G. Health services (depending on your choice of Medical Care Assistance Options)
  - Westminster-Canterbury provides the Clinic space and nursing staff, but charges are made for services rendered by medical professionals as well as prescription drugs and special medical items
  - health services in Your Residence in case of an accident or temporary illness (some extra charges may be imposed)
  - skilled or intermediate nursing care or physical assistance care in areas designated for Assisting Living Services and Health Care Centers not otherwise covered by insurance or governmental programs (special medical needs may require an extra charge)
  - assistance in filing Westminster-Canterbury-related medical insurance claims at Westminster-Canterbury's option

**II. You will provide or pay for:**

- furnishings
- telephones or telephone lines in addition to those furnished
- long-distance calls
- arts and crafts supplies
- beauty/barber services
- roll-away beds if needed for guests in your Residence
- use of guest rooms by your guests
- meals for your guests
- extra meals beyond those covered by your Monthly Fees
- tray service to your Residence in case of illness
- special diets (if available)
- Health Services (not otherwise covered by this Agreement such as Home Care Services in your apartment)
- Medicare coverage, supplemental insurance such as Blue Cross/Blue Shield Extended Major Medical
- ancillary services such as physical, occupational, and speech therapy, medical supplies, and prescription drugs while either a resident in an area designated for Assisted Living Services or the Health Care Center or a resident in any other residence
- hospital charges not covered by insurance, including medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, and orthopedic devices

**APPENDIX I:  
OPTIONS FOR REFUNDS OF ENTRANCE FEES**

**GENERAL**

All terms used in Appendix I have the meanings assigned to them in the foregoing Residence and Services Agreement (the "Agreement"). All fees paid to Westminster-Canterbury shall become its exclusive property upon the assigned occupancy date for your Residence or the date of payment, if later. However, Westminster-Canterbury shall use such fees, to the extent necessary, to meet its obligations to you under the Agreement (including the obligation to make refunds, if any, as set out in this Appendix) and to meet its obligations to the other residents of Westminster-Canterbury. For purposes of computing refunds of Entrance Fees, as set forth below, but not your eligibility for such refunds, a partial calendar month of more than 15 days shall be treated as a full month and a partial calendar month of 15 days or less shall be ignored. The assigned occupancy date shall be counted as a full day.

THE APPLICABILITY OF THE FOLLOWING TERMS DEPENDS UPON THE NUMBER OF THE REFUND OPTIONS SPECIFIED IN ARTICLE XII OF YOUR RESIDENCE AND SERVICES AGREEMENT. IF NO NUMBER IS SPECIFIED THERE, IT SHALL BE PRESUMED THAT REFUND OPTION 1 APPLIES.

## **REFUND OPTION 1 (STANDARD CONTRACT)**

### **A. Refund After Termination By Resident During First 48 Months**

This Paragraph A applies only to Refund Option No. 1. If the Agreement is terminated by You during the first 48 months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any), shall be refunded less a 4% administrative fee and 2% thereof for each calendar month following your assigned occupancy date and continuing through the date a new resident occupies your Apartment.

For example: If your assigned occupancy date was July 1, 1996, your Termination Date was December 31, 1996, and a new resident occupied your apartment as of March 1, 1997 (eight months), then the refund would equal the total Entrance Fee paid less 20% or a refund of 80% of the Entrance Fee paid by You.

In the event, two persons have each signed an Agreement as Resident and one person terminates his or her Agreement during the first 48 months after the earlier of the two assigned occupancy dates, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee which would have been due and payable on the assigned occupancy date with respect to the single occupancy of the Apartment. If the second Agreement related to the Apartment is subsequently terminated by the other Resident during such 48-month period, the foregoing shall then apply to the balance of the Entrance Fee.

This Paragraph A applies only to Refund Option No. 1. After the end of the 48th month from the earlier of the two assigned occupancy dates, no refund will be paid by Westminster-Canterbury to either Resident upon the termination of either Agreement by Resident.

### **B. Refund After Termination by Westminster-Canterbury During the First 96 Months**

This Paragraph B applies only to Refund Option No. 1. If the Agreement is terminated by Westminster-Canterbury during the first 96 months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 1% thereof for each calendar month following your assigned occupancy date and continuing through your Termination Date.

For Example: If your assigned occupancy date was July 1, 1995, and your Termination Date was December 31, 1996 (18 months), then the refund would equal the total Entrance Fee paid less 22% or a refund of 78% of the Entrance Fee paid by you.

In the event, two persons have each signed an Agreement as Resident and Westminster-Canterbury terminates one of the Agreements during the first 96 months after the earlier of the two assigned occupancy dates, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee. which would have been due and payable on the assigned occupancy date with respect to the single occupancy of the Apartment. If the second Agreement related to the Apartment is subsequently terminated by Westminster-Canterbury during such 100 months, the foregoing shall then apply to the balance of the Entrance Fee.

This Paragraph B applies only to Refund Option No. 1. After the end of the 96th month from the earlier of the two assigned occupancy dates, no refund will be paid by Westminster-Canterbury to either Resident upon the termination of either Agreement by Westminster-Canterbury.

C. Termination by Reason of Death During the First 6 Months

This Paragraph C applies to Refund Option No. 1. The Agreement is automatically terminated by death, and if your death occurs during the first six months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 2% thereof for each month following the assigned occupancy date and continuing through the date of your death.

For Example: If your assigned occupancy date was July 1, 1996, and you died on November 30, 1996 (five months), then the refund would equal the total Entrance Fee paid less 14% or a refund of 86% of the Entrance Fee paid by you.

In the event, two persons have each signed an Agreement as Resident and one person dies during the first six months after the earlier of the two assigned occupancy dates, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee, which would have been due and payable on the assigned occupancy date with respect to the single occupancy of the Apartment. If the second Agreement is subsequently terminated by the death of the second Resident during such six-month period, the foregoing shall then apply to the balance of the Entrance Fee.

This Paragraph C applies to Refund Option No. 1. After the end of the sixth month from the earlier of the two assigned occupancy dates, no Refund will be paid by Westminster-Canterbury to either Resident as a result of his or her death.

## **REFUND OPTION 2 (50-MONTH DECLINING BALANCE CONTRACT)**

### **A. Refund After Termination By Resident (including Death) During First 48 Months**

This Paragraph A applies only to Refund Option No. 2. If the Agreement is terminated by You or as a result of your death during the first 48 months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 2% thereof for each calendar month following your assigned occupancy date and continuing through the date a new resident occupies your Apartment.

For Example: If your assigned occupancy date was July 1, 1996, you died on December 30, 1996, and a new resident occupied your Apartment as of March 1, 1997 (8 months), then the refund would equal the total Entrance Fee paid less 20% or a refund of 80% of the Entrance Fee paid by you.

In the event, two persons have each signed an Agreement as Residents and one person dies or terminates his or her Agreement during the first 48 months after the earlier of the two assigned occupancy dates, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee, which would have been due and payable on the assigned occupancy date with respect to the single occupancy of the Apartment. If the second Agreement is subsequently terminated by the second Resident or as a result of his or her death during such 48-month period, the foregoing shall then apply to the balance of the Entrance Fee.

This Paragraph A applies to Refund Option No. 2. After the end of the 48th month from the earlier of the two assigned occupancy dates, no Refund will be paid by Westminster-Canterbury to either Resident upon the termination of either Agreement by Resident or as a result of his or her death.

### **B. Refund After Termination by Westminster-Canterbury During the First 96 Months**

This Paragraph B applies only to Refund Option No. 2. If the Agreement is terminated by Westminster-Canterbury during the first 96 months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 1% thereof for each calendar month following your assigned occupancy date and continuing through your Termination Date.

For Example: If your assigned occupancy date was July 1, 1995, and your Termination Date was December 31, 1996 (18 months), then the refund would equal the total Entrance Fee paid less 22% or a refund of 78% of the Entrance Fee paid by You.

In the event, two persons have each signed an Agreement as Resident and Westminster-Canterbury terminates one of the Agreements during the first 96 months after the earlier of the two assigned Occupancy dates, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee, which would have been due and payable on the assigned occupancy date with respect to single occupancy of the Apartment. If this second Agreement related to the Apartment is subsequently terminated by Westminster-Canterbury during such 96 months, the foregoing shall then apply to the balance of the Entrance Fee.

This Paragraph B applies only to Refund Option No. 2. After the end of the 96th month from the earlier of the two assigned Occupancy dates, no refund will be paid by Westminster-Canterbury to either Resident upon the termination of either Agreement by Westminster-Canterbury.

### **REFUND OPTION 3 (80% REFUNDABLE CONTRACT)**

#### **A. Refund After Termination By Resident (including Death) During the First 4 Months**

This Paragraph A applies only to Refund Option No. 3. If the Agreement is terminated by You or as a result of your death during the first four months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 4% thereof for each calendar month up to four months following your assigned occupancy date and continuing through the date a new resident occupies your Apartment.

For Example: If your assigned occupancy date was July 1, 1996, You died on August 31, 1996, and a new resident occupied your Apartment on October 1, 1996 (3 months), then the refund would equal the total Entrance Fee paid less 16% or a refund of 84% of the Entrance Fee paid by You.

This Paragraph A applies only to Refund Option No. 3. If the Agreement is terminated by Resident or as a result of his or her death at any time after the end of the fourth month from the earlier of the two assigned occupancy dates, a refund equal to 80% of the Entrance Fee (less Financial Assistance, if any) will be paid by Westminster-Canterbury.

In the event, two persons have each signed an Agreement as Resident, and one dies or terminates his or her Agreement during the first four months after the earlier of the two assigned occupancy dates or thereafter, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee, which would have been due and payable on the assigned occupancy date with respect to the single occupancy of the Apartment. If the second Agreement is subsequently terminated by the second Resident or as a result of his or her death during such four-month period or thereafter, the foregoing shall then apply to the balance of the Entrance Fee.

#### **B. Refund After Termination by Westminster-Canterbury During the First Four Months**

This Paragraph B applies only to Refund Option No. 3. If the Agreement is terminated by Westminster-Canterbury during the first four months after your assigned occupancy date, the entire Entrance Fee (less Financial Assistance, if any) shall be refunded less a 4% administrative fee and 4% thereof for each calendar month following your assigned occupancy date and continuing through your Termination Date.

For Example: If your assigned occupancy date was July 1, 1996, and your Termination Date was September 30, 1996 (3 months), then the refund would equal the total Entrance Fee paid less 16% or a refund of 84% of the Entrance Fee paid by You.

This Paragraph B applies only to Refund Option No. 3. If the Agreement is terminated by Westminster-Canterbury at any time after the end of the 4th month from the earlier of the two assigned Occupancy dates, a refund equal to 80% of the Entrance Fee (less Financial Assistance, if any) will be paid by Westminster-Canterbury.

In the event, two persons have each signed an Agreement as Resident and Westminster-Canterbury terminates the Agreement of one Resident during the first FOUR months after the earlier of the two assigned occupancy dates or thereafter, the foregoing shall apply to the difference between the Entrance Fee paid and the Entrance Fee, which would have been due and payable on the assigned occupancy date with respect to single occupancy of the Apartment. If the second Agreement is subsequently terminated by Westminster-Canterbury during such four months or thereafter, the foregoing shall then apply to the balance of the Entrance Fee.



## **APPENDIX II:**

### **OPTIONS TO LIMIT MEDICAL CARE ASSISTANCE BY WESTMINSTER-CANTERBURY**

#### **GENERAL**

All terms used in Appendix II have the meanings assigned to them in the foregoing Residence and Services Agreement (the "Agreement"). Your selection of a limited medical care assistance option should be considered if you have long-term health care insurance or otherwise determine that you wish to pay for long-term medical care personally as needed. This option allows you to limit Westminster-Canterbury's obligation to pay base charges for these services to a specific number of days and thereby reduces the entrance fee that must be paid by You for your Residence. The applicability of the following provisions depends upon the number of the limited medical care assistance option which is specified in Article XII.E of this Agreement. If no number is specified there, you have selected the standard agreement without limitation on Westminster-Canterbury's obligation to pay base charges for these services and the entrance fee applicable to your Residence shall confirm this presumption.

Resident certifies that he/she has read the Limited Medical Assistance Option described below and understands its terms.

\*

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Resident initials

### **LIMITED MEDICAL ASSISTANCE OPTION NO. 1 (365 DAYS)**

#### **A. Limited Medical Assistance Option No. 1**

This Paragraph A applies only to Limited Medical Assistance Option No. 1. Westminster-Canterbury will provide special health care services in your Residence, assisted living services in areas designated therefor and nursing care in the Health Care Center or other designated areas after partial reimbursement from Medicare, Medicaid, or other public or private insurance or assistance programs covering You, as provided for in Section II.C of this Agreement for a limited period of 365 cumulative (consecutive or non-consecutive) days of medical service use. For purposes of this paragraph, a day or portion thereof in an assisted living area the Health Care Center, or other area designed for these services shall count as one day of use. After this limited period of medical service use, Westminster-Canterbury will continue to provide You with medical care services, but these services will be provided at your expense.

#### **B. Subsequent Charges for Medical Care**

This Paragraph B applies only to Limited Medical Assistance Option No. 1. Once You have received the allotted 365 days of cumulative medical service use at the expense of Westminster-Canterbury (including reimbursement from Medicare, Medicaid, or other public or private insurance or assistance programs covering You), You will thereafter be responsible for all additional medical services listed above and will be charged on a per-service basis at the daily community rate for assisted living and nursing care services and/or the per visit rate for special services as established and set by Westminster-Canterbury from time to time. You will also continue to be responsible for payment of your Monthly Fee until your Residence has been released to Westminster-Canterbury.

For Example: You live in a one-bedroom apartment at the current applicable Monthly Fee, and you are transferred for 20 days to the Health Care Center. You are then transferred to an area where assisted living services are provided to You for an additional period of 10 days before returning to your Residence. These 30 days of medical service use are covered by your Monthly Fee and are subtracted from your 365 cumulative days of medical service use. Two years later, You are transferred to an assisted living area or the Health Care Center permanently and release your Residence to Westminster-Canterbury for sale to a new resident.

For the first 335 days after your transfer (the remaining medical service coverage available to you), you will pay the then applicable Monthly Fee for your Residence and Westminster-Canterbury will pay your charges for medical care expenses during this period. Thereafter, You will cease paying the Monthly Fee (you have released your Residence to Westminster-Canterbury) and will be charged for medical care on a per-service basis. If your transfer to an assisted living area or the Health Care Center is temporary, then You will continue to pay the Monthly Fee for your Residence, and you will be charged for medical care on a per-service basis after your remaining 335 days of medical service coverage have been used. Your Monthly Fee will continue to be charged to you until your transfer to an assisted living area or an assisted living area or the Health Care Center is determined to be permanent, and your Residence has been released to Westminster-Canterbury.

**C. Married Couple Occupying Residence**

This Paragraph C applies only to Limited Medical Assistance Option No. 1. If two persons have signed this Agreement as residents and one of the residents has died or been permanently transferred to an assisted living area or the Health Care Center and has used up his or her medical service coverage, the Monthly Fee for the spouse shall be changed to reflect the single occupancy of the Residence. For purposes of the provisions of this Limited Medical Assistance Option, each resident and each spouse of a married couple shall be entitled to 365 cumulative days of medical service use to be provided at the expense of Westminster-Canterbury in accordance with the terms of this Agreement. The entitled days of medical service use are non-transferable between residents and between spouses of married couples.

Resident certifies that he/she has read the Limited Medical Assistance Option described below and understands its terms.

\*

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Resident initials

## **LIMITED MEDICAL ASSISTANCE OPTION NO. 2 (180 DAYS)**

### **A. Limited Medical Assistance Option No. 2**

This Paragraph A applies only to Limited Medical Assistance Option No. 2. Westminster-Canterbury will provide special health care services in your Residence, assisted living services in areas designated therefor and nursing care in the Health Care Center or other designated areas after partial reimbursement from Medicare, Medicaid or other public or private insurance or assistance programs covering you as provided for in Section II.C of this Agreement for a limited period of 180 cumulative (consecutive or non-consecutive) days of medical service use. For purposes of this paragraph, a day or portion thereof in an assisted living area or the Health Care Center, or other area designed for these services shall count as one day of use. After this limited period of medical service use, Westminster-Canterbury will continue to provide You with medical care services, but these services will be provided at your expense.

### **B. Subsequent Charges for Medical Care**

This Paragraph B applies only to Limited Medical Assistance Option No. 2. Once You have received the allotted one hundred eighty (180) days of cumulative medical service use at the expense of Westminster-Canterbury (including reimbursement from Medicare, Medicaid, or other public or private insurance or assistance programs covering you), You will thereafter be responsible for all additional medical services listed above and will be charged on a per-service basis at the daily community rate for assisted living and nursing care services and/or the per-visit rate for special services as established and set by Westminster-Canterbury from time to time. You will also continue to be responsible for payment of your Monthly Fee until your Residence has been released to Westminster-Canterbury.

For Example: You live in a one-bedroom apartment at the current applicable Monthly Fee, and you are transferred for 20 days to the Health Care Center. You are then transferred to an area where assisted living services are provided to You for an additional period of 10 days before returning to your Residence. These 30 days of medical service use are covered by your Monthly Fee and are subtracted from your 180 cumulative days of medical service use. Two years later, You are transferred to an assisted living area or the Health Care Center permanently and release your Residence to Westminster-Canterbury for sale to a new resident. For the first 150 days after your transfer (the remaining medical service coverage available to You), You will pay the then applicable Monthly Fee for your Residence and Westminster-Canterbury will pay your charges for medical care expenses during this time.

Thereafter, You will cease paying the Monthly Fee (You have released your Residence to Westminster-Canterbury) and will be charged for medical care on a per-service basis. If your transfer to an assisted living area or the Health Care Center is temporary, You will continue to pay the Monthly Fee for your Residence, and You will be charged for medical care on a per-service basis after your remaining 150 days of medical service coverage has been used. Your Monthly Fee will continue to be charged to you until your transfer to an assisted living area or the Health Care Center is determined to be permanent, and your Residence has been released to Westminster-Canterbury.

**C. Married Couple Occupying Residence**

This Paragraph C applies only to Limited Medical Assistance Option No. 2. If two persons have signed this Agreement as residents and one (1) of the residents has died or been permanently transferred to an assisted living area or the Health Care Center and has used up his or her medical service coverage, the Monthly Fee for the spouse shall be changed to reflect the single occupancy of the Residence. For purposes of the provisions of this Limited Medical Assistance Option, each resident and each spouse of a married couple shall be entitled to 180 cumulative days of medical service use to be provided at the expense of Westminster-Canterbury in accordance with the terms of this Agreement. The entitled days of medical service use are non-transferable between residents and between spouses of married couples.

**EXHIBIT 8**

**CURRENT FEE SCHEDULES**

As noted on the attached, both Entrance Fees and Monthly Fees vary depending on which payment plan is selected.

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**

**Monthly Fees - Single Occupancy**

**FY24**

Apartment Type	Standard Contract	Low EF High MF	High EF Low MF	FFS	80% Refundable FFS
<b>EAST TOWER</b>					
Angler	3,168	3,802	2,534	2,393	2,393
Pearl	3,168	3,802	2,534	2,393	2,393
Chesapeake	3,495	4,194	2,796	2,720	2,720
Dolphin	3,653	4,384	2,922	2,878	2,878
Egret - Premier	4,243	5,092	3,394	3,468	3,468
Egret	3,852	4,622	3,082	3,077	3,077
Starfish	4,259	5,111	3,407	3,484	3,484
Seagull - Premier	4,465	5,358	3,572	3,690	3,690
Seagull	4,053	4,864	3,242	3,278	3,278
Sandpiper	4,893	5,872	3,914	4,118	4,118
Heron	5,078	6,094	4,062	4,303	4,303
Islander	5,099	6,119	4,079	4,324	4,324
Nautilus	5,551	6,661	4,441	4,776	4,776
Windsurfer	5,938	7,126	4,750	5,163	5,163
Seagret	6,962	8,354	5,570	6,187	6,187
Villa	6,419	7,703	5,135	5,644	5,644
<b>WEST TOWER</b>					
Angler Premier	3,391	4,069	2,713	2,616	2,616
Dolphin Premier	3,849	4,619	3,079	3,074	3,074
Crane - "V" (Latitude)	5,311	6,373	4,249	4,536	4,536
Crane	5,541	6,649	4,433	4,766	4,766
Crane Premium	5,541	6,649	4,433	4,766	4,766
Schooner (Lookout)	5,933	7,120	4,746	5,158	5,158
Schooner	5,933	7,120	4,746	5,158	5,158
Osprey - V (Lynnhaven)	6,194	7,433	4,955	5,419	5,419
Osprey - "V"	6,194	7,433	4,955	5,419	5,419
Osprey	6,457	7,748	5,166	5,682	5,682
Osprey Premium	6,457	7,748	5,166	5,682	5,682
Spinnaker - "V" (Longitude)	7,106	8,527	5,685	6,331	6,331
Spinnaker	7,409	8,891	5,927	6,634	6,634
Spinnaker Premium East	7,409	8,891	5,927	6,634	6,634
Spinnaker Premium West	7,409	8,891	5,927	6,634	6,634
Clipper	7,627	9,152	6,102	6,852	6,852
Dockside - "V" (Lighthouse)	7,522	9,026	6,018	6,747	6,747
Dockside	7,841	9,409	6,273	7,066	7,066
Dockside Premium East	7,841	9,409	6,273	7,066	7,066
Dockside Premium West	7,841	9,409	6,273	7,066	7,066
Mooring	7,970	9,564	6,376	7,195	7,195
Galleon - "V" (Lesner)	7,714	9,257	6,171	6,939	6,939
Galleon	8,041	9,649	6,433	7,266	7,266
Galleon Premium	8,041	9,649	6,433	7,266	7,266
Mariner	7,714	9,257	6,171	6,939	6,939
Sailfish	8,175	9,810	6,540	7,400	7,400
Marlin	8,593	10,312	6,874	7,818	7,818
NOTE: Use Standard Contract MONTHLY FEE for 50 Month Declining Balance, 80% Refundable, 180 & 365 Day Healthcare contracts					
"V" - Value Apartment					

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**

**Monthly Fees - Double Occupancy**

**FY24**

Apartment Type	Standard Contract	Hi MF Low EF	Low MF Hi EF	FFS	80% Refundable FFS
<b>EAST TOWER</b>					
Chesapeake	5,156	5,855	4,457	3,543	3,543
Dolphin	5,314	6,045	4,583	3,701	3,701
Egret - Premier	5,904	6,753	5,055	4,291	4,291
Egret	5,513	6,283	4,743	3,900	3,900
Starfish	5,920	6,772	5,068	4,307	4,307
Seagull - Premier	6,126	7,019	5,233	4,513	4,513
Seagull	5,714	6,525	4,903	4,101	4,101
Sandpiper	6,554	7,533	5,575	4,941	4,941
Heron	6,739	7,755	5,723	5,126	5,126
Islander	6,760	7,780	5,740	5,147	5,147
Nautilus	7,212	8,322	6,102	5,599	5,599
Windsurfer	7,599	8,787	6,411	5,986	5,986
Segret	8,623	10,015	7,231	7,010	7,010
Villa	8,080	9,364	6,796	6,467	6,467
<b>WEST TOWER</b>					
Angler Premier	5,052	5,730	4,374	3,439	3,439
Dolphin Premier	5,510	6,280	4,740	3,897	3,897
Crane - "V" (Latitude)	6,972	8,034	5,910	5,359	5,359
Crane	7,202	8,310	6,094	5,589	5,589
Crane Premium	7,202	8,310	6,094	5,589	5,589
Schooner (Lookout)	7,594	8,781	6,407	5,981	5,981
Schooner	7,594	8,781	6,407	5,981	5,981
Osprey - V (Lynnhaven)	7,855	9,094	6,616	6,242	6,242
Osprey - "V"	7,855	9,094	6,616	6,242	6,242
Osprey	8,118	9,409	6,827	6,505	6,505
Osprey Premium	8,118	9,409	6,827	6,505	6,505
Spinnaker - "V" (Longitude)	8,767	10,188	7,346	7,154	7,154
Spinnaker	9,070	10,552	7,588	7,457	7,457
Spinnaker Premium East	9,070	10,552	7,588	7,457	7,457
Spinnaker Premium West	9,070	10,552	7,588	7,457	7,457
Clipper	9,288	10,813	7,763	7,675	7,675
Dockside - "V" (Lighthouse)	9,183	10,687	7,679	7,570	7,570
Dockside	9,502	11,070	7,934	7,889	7,889
Dockside Premium East	9,502	11,070	7,934	7,889	7,889
Dockside Premium West	9,502	11,070	7,934	7,889	7,889
Mooring	9,631	11,225	8,037	8,018	8,018
Galleon - "V" (Lesner)	9,375	10,918	7,832	7,762	7,762
Galleon	9,702	11,310	8,094	8,089	8,089
Galleon Premium	9,702	11,310	8,094	8,089	8,089
Mariner	9,375	10,918	7,832	7,762	7,762
Sailfish	9,836	11,471	8,201	8,223	8,223
Marlin	10,254	11,973	8,535	8,641	8,641
NOTE: Use Standard Contract MONTHLY FEE for 50 Month Declining Balance, 80% Refundable, 180 & 365 Day Healthcare contracts					
Rates include First Person fee and Second Person Fee of	1,661	1,661	1,661	823	823
"V" - Value Apartment					







**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**

**West Tower Entry Fees**

**FY24**

<b>FY24 ENTRY FEES</b>
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<b>SINGLE OCCUPANCY</b>	<b>STANDARD CONTRACT</b>	<b>50 MONTH DECL BAL</b>	<b>EIGHTY PCT RFND'ABLE</b>	<b>180 DAYS HLTHCARE</b>	<b>365 DAYS HLTHCARE</b>	<b>LOW EF HIGH MF</b>	<b>HIGH EF LOW MF</b>
Angler Premier	226,300	238,700	509,200	192,300	209,300	145,000	318,300
Dolphin Premier	283,600	299,200	638,100	249,600	266,600	193,400	388,100
Latitude	448,700	473,400	1,009,600	414,700	431,700	328,900	592,900
Crane	491,400	518,400	1,105,700	457,400	474,400	368,300	641,800
Crane Premium	578,900	610,700	1,302,500	544,900	561,900	462,800	729,300
Lookout	466,600	492,300	1,049,900	432,600	449,600	329,900	627,700
Schooner	532,800	562,100	1,198,800	498,800	515,800	401,400	693,900
Lynnhaven	493,900	521,100	1,111,300	459,900	476,900	351,800	662,100
Osprey Value	548,900	579,100	1,235,000	514,900	531,900	411,200	717,100
Osprey	557,700	588,400	1,254,800	523,700	540,700	413,100	732,900
Osprey Premium	639,600	674,800	1,439,100	605,600	622,600	501,600	814,800
Longitude	521,200	549,900	1,172,700	487,200	504,200	354,600	714,100
Spinnaker	626,400	660,900	1,409,400	592,400	609,400	459,200	827,600
Spinnaker Premium East	758,000	799,700	1,705,500	724,000	741,000	601,300	959,200
Spinnaker Premium West	843,200	889,600	1,897,200	809,200	826,200	693,400	1,044,400
Clipper	880,100	928,500	1,980,200	846,100	863,100	726,900	1,087,100
Lighthouse	631,200	665,900	1,420,200	597,200	614,200	461,200	835,400
Dockside	711,900	751,100	1,601,800	677,900	694,900	539,000	924,700
Dockside Premium East	848,100	894,700	1,908,200	814,100	831,100	686,100	1,060,900
Dockside Premium West	959,700	1,012,500	2,159,300	925,700	942,700	806,700	1,172,500
Mooring	746,000	787,000	1,678,500	712,000	729,000	572,000	962,400
Lesner	617,700	651,700	1,389,800	583,700	600,700	440,900	827,200
Galleon	724,400	764,200	1,629,900	690,400	707,400	546,600	942,700
Galleon Premium	867,500	915,200	1,951,900	833,500	850,500	701,100	1,085,800
Mariner	652,400	688,300	1,467,900	618,400	635,400	478,300	861,900
Sailfish	1,100,100	1,160,600	2,475,200	1,066,100	1,083,100	948,500	1,322,000
Marlin	1,100,100	1,160,600	2,475,200	1,066,100	1,083,100	936,100	1,333,400

**WESTMINSTER-CANTERBURY ON CHESAPEAKE BAY**  
**West Tower Entry Fees**  
**FY24**

**FY24 ENTRY FEES**

	STANDARD CONTRACT	50 MONTH DECL BAL	EIGHTY PCT RFND'ABLE	180 DAYS HLTHCARE	365 DAYS HLTHCARE	LOW EF HIGH MF	HIGH EF LOW MF
<b><u>DOUBLE OCCUPANCY</u></b>							
Dolphin Premier	369,600	421,600	863,500	311,500	338,900	279,400	474,100
Latitude	534,700	595,800	1,235,000	476,600	504,000	414,900	678,900
Crane	577,400	640,800	1,331,100	519,300	546,700	454,300	727,800
Crane Premium	664,900	733,100	1,527,900	606,800	634,200	548,800	815,300
Lookout	552,600	614,700	1,275,300	494,500	521,900	415,900	713,700
Schooner	618,800	684,500	1,424,200	560,700	588,100	487,400	779,900
Lynnhaven	579,900	643,500	1,336,700	521,800	549,200	437,800	748,100
Osprey Value	634,900	701,500	1,460,400	576,800	604,200	497,200	803,100
Osprey	643,700	710,800	1,480,200	585,600	613,000	499,100	818,900
Osprey Premium	725,600	797,200	1,664,500	667,500	694,900	587,600	900,800
Longitude	607,200	672,300	1,398,100	549,100	576,500	440,600	800,100
Spinnaker	712,400	783,300	1,634,800	654,300	681,700	545,200	913,600
Spinnaker Premium East	844,000	922,100	1,930,900	785,900	813,300	687,300	1,045,200
Spinnaker Premium West	929,200	1,012,000	2,122,600	871,100	898,500	779,400	1,130,400
Clipper	966,100	1,050,900	2,205,600	908,000	935,400	812,900	1,173,100
Lighthouse	717,200	788,300	1,645,600	659,100	686,500	547,200	921,400
Dockside	797,900	873,500	1,827,200	739,800	767,200	625,000	1,010,700
Dockside Premium East	934,100	1,017,100	2,133,600	876,000	903,400	772,100	1,146,900
Dockside Premium West	1,045,700	1,134,900	2,384,700	987,600	1,015,000	892,700	1,258,500
Mooring	832,000	909,400	1,903,900	773,900	801,300	658,000	1,048,400
Lesner	703,700	774,100	1,615,200	645,600	673,000	526,900	913,200
Galleon	810,400	886,600	1,855,300	752,300	779,700	632,600	1,028,700
Galleon Premium	953,500	1,037,600	2,177,300	895,400	922,800	787,100	1,171,800
Mariner	738,400	810,700	1,693,300	680,300	707,700	564,300	947,900
Sailfish	1,186,100	1,283,000	2,700,600	1,128,000	1,155,400	1,034,500	1,408,000
Marlin	1,186,100	1,283,000	2,700,600	1,128,000	1,155,400	1,022,100	1,419,400

**ENHANCED SERVICES (DIRECT ADMISSION)  
FY24 STANDARD CONTRACT**

<b>ENHANCED SERVICES (ONE PERSON)</b>							
Fee Type	Unit Type	Square Footage	Effective 10/1/2019	Effective 10/1/2020	Effective 10/1/2021	Effective 10/1/2022	Effective 10/1/2023
Entrance Fee	Studio	432	158,000	162,700	170,800	175,900	181,200
Monthly Fee	Studio	432	8,193	8,541	8,657	9,224	9,658

**EXHIBIT 9**

**RESIDENT'S ACKNOWLEDGMENT**

The Resident signed below acknowledges that he/she has been informed concerning and had explained to him/her the following, on the date indicated:

- \* \*63.2-1808 of the Code of Virginia (Residents' Rights Amendment).
- \* The policies and procedures for Assisted Living Facilities require implementing the Residents' Rights Amendments.

Signed: \_\_\_\_\_

Resident Signature

\_\_\_\_\_

Apt. No.

Date: \_\_\_\_\_

**EXHIBIT 10**

**RIGHTS AND RESPONSIBILITIES OF  
RESIDENTS OF ASSISTED LIVING FACILITIES**

**RIGHTS AND RESPONSIBILITIES OF  
RESIDENTS OF ASSISTED LIVING FACILITIES**

**§ 63.2-1808. Rights and responsibilities of residents of assisted living facilities; certification of licensure.**

- A. Any resident of an assisted living facility has the rights and responsibilities enumerated in this section. The operator or administrator of an assisted living facility shall establish written policies and procedures to ensure that, at the minimum, each person who becomes a resident of the assisted living facility:
1. Is fully informed, prior to or at the time of admission and during the resident's stay, of his rights and of all rules and expectations governing the resident's conduct, responsibilities, and the terms of the admission agreement; evidence of this shall be the resident's written acknowledgment of having been so informed, which shall be filed in his record;
  2. Is fully informed, prior to or at the time of admission and during the resident's stay, of services available in the facility and of any related charges; this shall be reflected by the resident's signature on a current resident's agreement retained in the resident's file;
  3. Unless a committee or conservator has been appointed, is free to manage his personal finances and funds regardless of source; is entitled to access to personal account statements reflecting financial transactions made on his behalf by the facility; and is given at least a quarterly accounting of financial transactions made on his behalf when a written delegation of responsibility to manage his financial affairs is made to the facility for any period of time in conformance with state law;
  4. Is afforded confidential treatment of his personal affairs and records and may approve or refuse their release to any individual outside the facility except as otherwise provided in law and except in case of his transfer to another care-giving facility;
  5. Is transferred or discharged only when provided with a statement of reasons, or for nonpayment for his stay, and is given reasonable advance notice; upon notice of discharge or upon giving reasonable advance notice of his desire to move, shall be afforded reasonable assistance to ensure an orderly transfer or discharge; such actions shall be documented in his record;



6. In the event a medical condition should arise while he is residing in the facility, is afforded the opportunity to participate in the planning of his program of care and medical treatment at the facility and the right to refuse treatment;
7. Is not required to perform services for the facility except as voluntarily contracted pursuant to a voluntary agreement for services that states the terms of consideration or remuneration and is documented in writing and retained in his record;
8. Is free to select health care services from reasonably available resources;
9. Is free to refuse to participate in human subject experimentation or to be party to research in which his identity may be ascertained;
10. Is free from mental, emotional, physical, sexual, and economic abuse or exploitation; is free from forced isolation, threats or other degrading or demeaning acts against him; and his known needs are not neglected or ignored by personnel of the facility;
11. Is treated with courtesy, respect, and consideration as a person of worth, sensitivity, and dignity;
12. Is encouraged, and informed of appropriate means as necessary, throughout the period of stay to exercise his rights as a resident and as a citizen; to this end, he is free to voice grievances and recommend changes in policies and services, free of coercion, discrimination, threats or reprisal;
13. Is permitted to retain and use his personal clothing and possessions as space permits unless to do so would infringe upon rights of other residents;
14. Is encouraged to function at his highest mental, emotional, physical and social potential;
15. Is free of physical or mechanical restraint except in the following situations and with appropriate safeguards:
  - a. As necessary for the facility to respond to unmanageable behavior in an emergency situation, which threatens the immediate safety of the resident or others;
  - b. As medically necessary, as authorized in writing by a physician, to provide physical support to a weakened resident;

16. Is free of prescription drugs except where medically necessary, specifically prescribed, and supervised by the attending physician, physician assistant, or nurse practitioner;
17. Is accorded respect for ordinary privacy in every aspect of daily living, including but not limited to the following:
  - a. In the care of his personal needs except as assistance may be needed;
  - b. In any medical examination or health-related consultations the resident may have at the facility;
  - c. In communications, in writing or by telephone;
  - d. During visitations with other persons;
  - e. In the resident's room or portion thereof; residents shall be permitted to have guests or other residents in their rooms unless to do so would infringe upon the rights of other residents; staff may not enter a resident's room without making their presence known except in an emergency or in accordance with safety oversight requirements included in regulations of the Board;
  - f. In visits with his spouse; if both are residents of the facility they are permitted but not required to share a room unless otherwise provided in the residents' agreements;
18. Is permitted to meet with and participate in activities of social, religious, and community groups at his discretion unless medically contraindicated as documented by his physician, physician assistant, or nurse practitioner in his medical record;
19. Is fully informed, as evidenced by the written acknowledgment of the resident or his legal representative, prior to or at the time of admission and during his stay, that he should exercise whatever due diligence he deems necessary with respect to information on any sex offenders registered pursuant to Chapter 9 (§ 9.1-900 et seq.) of Title 9.1, including how to obtain such information. Upon request, the assisted living facility shall assist the resident, prospective resident, or the legal representative of the resident or prospective resident in accessing this information and provide the resident, prospective resident, or the legal representative of the resident or prospective resident with printed copies of the requested information; and
20. Is informed, in writing and upon request, of whether the assisted living facility maintains the minimum liability coverage, as established by the Board pursuant to subdivision A 10 of § 63.2-1805.

- B. If the resident is unable to fully understand and exercise the rights and responsibilities contained in this section, the facility shall require that a responsible individual, of the resident's choice when possible, designated in writing in the resident's record, be made aware of each item in this section and the decisions that affect the resident or relate to specific items in this section; a resident shall be assumed capable of understanding and exercising these rights unless a physician determines otherwise and documents the reasons for such determination in the resident's record.
- C. The rights and responsibilities of residents shall be printed in at least 12-point type and posted conspicuously in a public place in all assisted living facilities. The facility shall also post the name and telephone number of the regional licensing supervisor of the Department, the Adult Protective Services' toll-free telephone number, as well as the toll-free telephone number for the Virginia Long-Term Care Ombudsman Program, any sub-state ombudsman program serving the area, and the toll-free number of the Commonwealth's designated protection and advocacy system.
- D. The facility shall make its policies and procedures for implementing this section available and accessible to residents, relatives, agencies, and the general public.
- E. The provisions of this section shall not be construed to restrict or abridge any right that any resident has under law.
- F. Each facility shall provide appropriate staff training to implement each resident's rights included in this section.
- G. The Board shall adopt regulations as necessary to carry out the full intent of this section.
- H. It shall be the responsibility of the Commissioner to ensure that the provisions of this section are observed and implemented by assisted living facilities as a condition to the issuance, renewal, or continuation of the license required by this article.

History.

(1984, c. 677, § 63.1-182.1; 1989, c. 271; 1990, c. 458; 1992, c. 356; 1993, cc. 957, 993; 1997, c. 801; 2000, c. 177; 2002, cc. 45, 572, 747; 2004, c. 855; 2006, c. 396; 2007, cc. 120, 163; 2013, cc. 320, 571.)

**In Case of Questions or Concerns, You May Call:**

**Regional Licensing Administrator,**

**Virginia Department of Social Services: Ivy Burnham**

**Telephone Number: 757-985-4958**

**Toll-Free Telephone Number for Adult Protective Services: 1-888-832-3858  
(1-888-83ADULT)**

**Toll-Free Telephone Number for Virginia Long-Term Care Ombudsman  
Program: 1-800-552-3402**

**Local/Sub-State Ombudsman Program: Willie Alston**

**Telephone Number: 757-222-4542**

**Toll-Free Telephone Number for the disAbility Law Center of Virginia:  
1-800-552-3962**

**Westminster-Canterbury Ethics and Compliance Anonymous Hot Line  
1-800-401-8004  
(1-800-216-1288 Spanish Speaking)**

**Westminster-Canterbury  
Enhanced Services Nursing Supervisor  
757-496-1254 or 757-816-4689**

**Kristen Buman  
Interim Administrator of Enhanced Services  
757-496-1154**

**Victoria Crenshaw, Ph.D.  
Senior Vice President of Health and Innovation  
757-496-1166**

**Ben Unkle, President and CEO  
757-496-1107**