

VILLA MARIN
CARE AND RESIDENCE AGREEMENT

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VILLA MARIN

CARE AND RESIDENCE AGREEMENT

This Care and Residence Agreement (the "Agreement") is made and entered into as of _____, by Villa Marin Homeowners Association, a California nonprofit mutual benefit corporation (the "Association") and _____ ("you"). (If more than one person is signing this Agreement, this term refers to each of you individually, and to both of you together, and the rights and obligations of each of you are joint and several, except when the context of this Agreement requires otherwise.)

A. Villa Marin is a 224 unit condominium located at 100 Thorndale Drive, San Rafael, California 94903, which includes within its common areas dining, a personal care facility, a skilled nursing facility and other service areas ("Villa Marin"). Condominium owners elect the Association's Board of Directors, who manage Villa Marin and its services through a General Manager. Villa Marin is operated on a nondiscriminatory basis and affords equal treatment and access to services to all persons regardless of race, color, religion, national origin or ancestry.

B. Villa Marin has a limited Certificate of Authority permitting the Association to offer continuing care to Villa Marin residents, provided that no supervision, personal care or skilled nursing may be offered in the condominium units. The rights and obligations of Homeowners and residents are set forth in the condominium's Declaration of Covenants, Conditions and Restrictions (the "Declaration") and in this Agreement, including all the Appendices, which are incorporated herein by this reference.

C. You have applied and the Association has accepted you as a resident at Villa Marin. The purpose of this Care and Residence Agreement is to provide a statement of the services that the Association will provide to you at Villa Marin, and the legal obligations that the Association will be assuming. This Agreement also sets forth your obligations to the Association, both financial and non-financial.

Name of RESIDENT(S) (1) _____

(2) _____

Birthdate of RESIDENT(S) (1) _____ (2) _____

Date Escrow Closed _____

Monthly Fee upon Acquisition of Unit \$ _____

Living Unit No. _____ **Type of Unit** _____

Square Footage _____

First Month
Fee Paid by _____ Date _____
RESIDENT #1 \$ _____ Paid _____

Processing
Fee Paid by _____ Date _____
RESIDENT #1 \$ _____ Paid _____

First Month
Fee Paid by _____ Date _____
RESIDENT #2 \$ _____ Paid _____

Processing
Fee Paid by _____ Date _____
RESIDENT #2 \$ _____ Paid _____

I. ACCOMMODATIONS

In consideration of the Monthly Fee and other fees payable by you under this Agreement, the Association will provide you with the following accommodations and services at Villa Marin, subject to the terms and conditions of this Agreement. The scope and availability of all services and amenities are subject to change by the Association made in accordance with the Declaration and this Agreement.

A. Condominium Residence

Pursuant to Article VII of the Declaration, you have been approved as a Qualified Occupant of Unit No. _____ (“your Unit”). Your right to live in your Unit is subject to the terms of the Declaration, this Agreement and the rules and regulations of Villa Marin.

B. Conveniences and Utilities

Your Unit is furnished with a monitored 24-hour emergency call system. Basic cable television service is included, but you must pay for premium cable television service or additional equipment or connections. The Association owns and maintains the telephone system, including one telephone per Unit. You are responsible for any additional equipment and all usage charges.

C. Furnishings and Unit Modifications

You may furnish your Unit as you see fit, subject to any restrictions set forth in the Declaration. Unit modifications shall be subject to the provisions of California Civil Code Section 1360 and of the Declaration.

D. Maintenance and Repairs

The Association will be responsible for maintaining and making all necessary repairs to the common areas, and will assist you in obtaining maintenance services for your Unit. You are responsible for maintaining your condominium, its fixtures and related areas.

II. COMMON AREA FACILITIES

Common area facilities are available to residents, including a dining room, swimming pool and spa, gymnasium, gift shop, hair salon, gardens, library, and promenade deck for secure walking.

III. SERVICES

The following services will be available to condominium residents at Villa Marin. Unless otherwise indicated, these services are included in your Monthly Fee. Additional terms and conditions governing the availability and cost of services are set forth in the Homeowner/Resident Handbook, which is attached as **Appendix A** and incorporated herein by this reference.

A. Meals

1. Dining Room. Three meals are available, except for Sundays and holidays when one meal is available. Your monthly fee entitles you to one meal per day of your choice. Additional meals may be ordered for an extra charge.

2. Tray Service. The Association will provide limited tray service to your Unit during a chronic illness. All other tray service is available at an extra charge.

3. Guest Meals. You are welcome to invite guests to any meal. Guest meals will be billed to you as an extra charge.

B. Housekeeping

The Association will provide you with periodic housekeeping services as part of your Monthly Fee. In addition, your Monthly Fee will also include a more thorough cleaning of your Unit once each year. Additional or more frequent housekeeping services will also be available, upon request and at an additional fee.

C. Gardening and Maintenance

The Association will perform gardening, maintenance and landscaping services for all common areas at Villa Marin.

D. Storage Space

Storage space for each condominium is located in the Villa Marin Garage. Additional storage space may be available for an additional charge.

E. Social-Recreational Activities

The Association will have a program of activities both within and away from Villa Marin, designed to meet your physical, social, recreational and intellectual needs. You are

welcome to participate in these activities as you desire. Some events outside Villa Marin may involve an additional charge.

F. Pets

Any pets must meet the criteria set forth in the Homeowner/Resident Handbook.

G. Transportation

For your convenience, the Association will provide scheduled transportation for local shopping trips, local medical and dental appointments and certain special events. There will be an additional charge for transportation services that fall outside of scheduled routes or times.

H. Parking

Residents with vehicles operated by or for them will receive one assigned parking space per Unit. The garage is part of the condominium common area operated by the Association. Additional parking may be available for an additional charge. Your guests may park in designated visitor parking spaces.

I. Security

For your safety, the Association maintains a twenty-four hour emergency call system, and security personnel monitor Villa Marin's grounds.

J. Other Services

The Association may provide you with different or additional services in the future as it deems appropriate in response to resident preferences or management considerations. The nature and scope of such services and the charges for them may be adjusted from time to time, upon thirty (30) days' notice to you. A copy of the current schedule of Fees for Optional Services is attached to this Agreement as **Appendix B**.

K. Interruption of Services

Temporary interruption of services or failure to maintain services provided for in this Agreement shall not constitute a breach of this Agreement if it results from causes beyond the reasonable control of the Association, such as fire or earthquake damage, labor disturbances, or government regulations. In such circumstances, the Association will use its best efforts to sustain or restore service or provide substitute service.

IV. MEDICAL, PERSONAL AND SKILLED NURSING CARE

A. Generally

The Association maintains and operates an Outpatient Clinic, a 28-bed Personal Care Facility (licensed as a Residential Care Facility for the Elderly) and a 31-bed Skilled Nursing Facility as part of the Common Area. Residents are entitled to care in those facilities, on a space-available basis, and to medical and other health services as set forth in the Medical Care Contract, attached as **Appendix C** and incorporated herein by this reference. The Medical Care Contract specifies the number of days of care a resident may receive before Extended Care Fees are charged in addition to any other fees that may be due. In the event of any inconsistencies between this Agreement and the Medical Care Contract, this Agreement shall control.

B. Personal Care

1. Services available in the Personal Care Facility shall include the following:

- a. Regular observation of your health status to ensure that your dietary needs, social needs, and needs for special services are satisfied;
- b. Safe and healthful living accommodations, including housekeeping services and utilities;
- c. Maintenance of house rules;
- d. A planned activities program, which includes social and recreational activities appropriate to your interests and capabilities;
- e. Three balanced, nutritious meals and snacks made available daily, including special diets prescribed by a physician as a medical necessity;
- f. Personal care;
- g. Assistance with taking medications;
- h. Central storing and distribution of medications; and
- i. Arrangements to meet health needs, including arranging transportation.

2. The Health Services Administrator shall determine, in consultation with Villa Marin's Medical Director (the "Medical Director") and you and your family, whether such services are appropriate for you and the proper location for the provision of the services.

C. Skilled Nursing Care

When determined appropriate pursuant to the Medical Care Contract, you may receive 24-hour nursing care at Villa Marin's Nursing Facility on a priority access basis over nonresidents. As part of the admissions process, you agree to sign a separate Skilled Nursing Facility Admission Agreement in its then current form. The current version of this document is attached as **Appendix D**. The services you receive and certain additional rights and obligations will be set forth in the Skilled Nursing Facility Admission Agreement. The terms of this Agreement shall continue to apply, and in the event of a conflict between the terms of the two agreements, this Agreement shall govern.

D. Space Limitations

If you require personal care or nursing care and no space is available at Villa Marin, you will be transferred to a nearby facility that is appropriate for your needs until space becomes available at Villa Marin. During your stay at the alternate facility, you will be subject to the same payment terms as you would have been had you received the care at Villa Marin.

V. FEES

A. Processing Fee

You already paid a **\$250** Processing Fee to cover the administrative costs of processing your application for residence at Villa Marin. The Processing Fee is not refundable.

B. Monthly Fee

1. Amount and Payment Procedure. The Monthly Fee for your Unit is currently **\$2,705.89**. If your Unit is jointly occupied, the Monthly Fee is **\$4,059.91**. As long as you are a Condominium resident, or a Temporary Care Resident, as that term is defined in the Medical Care Contract, your Monthly Fee shall consist of the regular assessment and any other monthly charges calculated in accordance with the Declaration. If you become an Extended Care Resident, your Monthly Fee shall be the Extended Care Fee, as set forth in the Medical Care Contract. All Monthly Fees shall be payable in advance on the first (1st) day of each month.

2. Late Payment Charge and Interest. The Association reserves the right to impose a late payment charge of ten dollars (\$10) or one-tenth of the delinquent amount, whichever is less, plus interest at the maximum legal rate if you do not pay your Monthly Fee by the due date.

3. Adjustments. The Association may increase or decrease your Monthly Fee or the scope or frequency of services upon thirty (30) days' advance written notice to you. Adjustments to regular and special assessments for the Condominium Unit shall be made in accordance with the Declaration. Changes in Personal Care or Nursing Facility fees shall be based upon the Association's projected costs, prior year per capita costs and economic indicators, as determined by the Association in its sole discretion. You agree to pay adjusted Monthly Fees.

C. Fees for Optional Services

You will be billed for optional services that are not covered by the Monthly Fee either at the time they are rendered or with your next Monthly Fee. The current fees for such services are listed in **Appendix B**, which is attached to this Agreement. The payment procedures for optional fees, including the imposition of late fees and interest, shall be the same as for your Monthly Fee.

D. Joint Liability for Fees

If you share your Unit with another resident, you and the other resident shall be jointly liable for all fees due under both your and the other resident's Care and Residence Agreements, including late payment charges and interest.

E. Absences

There will be no credit against your Monthly Fee obligations due to your absence from Villa Marin or failure to utilize services, including absences for medical reasons.

VI. TRANSFERS

The Association may transfer you to the Personal Care Facility, the Skilled Nursing Facility, or an outside facility, as appropriate, if any ground in this Section VI exists. In making this decision, the Association will take into consideration the appropriateness and necessity of the transfer, and the goal of promoting resident independence.

A. Statutory Grounds for Transfer. The Association may transfer you if it determines that any of the following grounds exist:

1. You become nonambulatory as this term is defined in Section 13131 of the California Health and Safety Code and your Unit is not certified for non-ambulatory use. A copy of Section 13131 of the California Health and Safety Code is available to you from Administrative Office of Villa Marin (the "Administrative Office") upon request;
2. You develop a physical or mental condition that endangers your health, safety, or well-being or that of another person;
3. Your condition or needs require that you be transferred to the Personal Care or Skilled Nursing Facility, because the level of care required by you exceeds that which may be lawfully provided in your Unit; or
4. Your condition or needs require that you be transferred to a nursing facility, hospital, or other facility, and the Association has no facilities available to provide that level of care at Villa Marin.

B. Other Grounds for Transfer. In addition to the transfer grounds set forth in Section VI.A. above, the Association may transfer you from your Unit to another level of care at the Community or outside the Community for what it deems in its discretion to be reasonable management grounds.

C. Transfer and Review Procedure. If you require transfer under one of the grounds set forth above in this Section VI, the Association will follow the transfer and review procedure described in **Appendix E**, except with respect to transfers from a skilled nursing room. If you request review of the Association's transfer decision, you agree to pay for any extra care that the Association determines in writing to be necessary to allow you to remain in your Unit during the review process.

D. Temporary Relocation Due to Renovation. The Association will follow the procedures outline in **Appendix F** in the event the Community undergoes a change of use, major repair, or renovation that requires the Association to relocate you from your Unit or from the accommodation that you are occupying at the Personal Care or Skilled Nursing Facility to another accommodation at the Community or off-site, for a period of nine (9) to eighteen (18) months. If the residential temporary relocation exceeds eighteen (18) months, you will have the option to terminate this Agreement. In that case, you will have the same rights as you would have if you were required to relocate permanently due to the closure of the Community, as set forth in Section IX.S and **Appendix K**.

VII. TERMINATION

A. By Resident

You may terminate this Agreement upon thirty (30) days written notice, with or without cause.

B. By The Association

The Association may, upon ninety (90) days written notice, terminate this Agreement for cause, which may include any of the following circumstances:

1. you engage in behavior, as determined by the Medical Director, that: (a) disrupts any other resident's quiet enjoyment of the Community; (b) interferes with the functioning of staff; or (c) endangers any person's health or safety, and such behavior is not, in the opinion of the Medical Director, based on a medical condition for which Covered Services are provided by this Contract;

2. a Resident or Owner fails to pay applicable charges, except that Resident may continue to receive benefits pending the placement of a lien on, sale of or foreclosure against the Unit;

It shall not constitute good cause for termination and Villa Marin will not discriminate or retaliate against you if (i) you (or your representative) file or lodge a formal or informal complaint with, or otherwise contact, the Department of Social Services or any other state, county, or city agency, or any elected or appointed government official or other appropriate

authority; and/or (ii) you participate in an organization or affiliation of Residents, or engage in any similar lawful activity.

C. Automatically

This Agreement shall terminate automatically if:

1. Resident dies;
2. Resident (or if there are two residents, both of them) permanently vacates the Community without becoming an Extended-Care Resident;
3. Resident's occupancy or Owner's ownership is terminated pursuant to the Declaration or any other Governing Document; or
4. Villa Marin ceases to operate.

D. Effect of Double Occupancy

If there are two Residents and only one is in default or otherwise presents grounds for termination under this Agreement, this Agreement shall remain in force as to the other Resident. If one of two Residents permanently vacates the Unit (other than by death) and the other Resident remains, the vacating Resident may elect to continue paying the second-occupant fee and keep this Agreement in force or, with Villa Marin's approval, may cease paying the second occupant fee, in which case the Agreement shall remain in force only as to the remaining Resident.

E. Duration of Agreement

Unless terminated pursuant to Section VII, this Agreement shall remain in effect for the life of the Resident(s) and neither the Resident nor Villa Marin may otherwise terminate this Agreement or discontinue its coverage.

F. Continuing Responsibilities of Homeowners

Notwithstanding the termination of this Agreement by either party and the cessation of the Association's obligations to render the services described herein, each Unit Owner shall remain responsible to pay the full monthly fees and assessments due under the Declaration as long as he or she owns the condominium Unit.

VIII. RIGHTS OF RESIDENTS

A. Your rights under this Agreement are the rights and privileges herein expressly granted and do not include any proprietary interests in the properties or assets of the Association (other than the property rights of condominium owners under the Declaration) or in any fees once transferred to the Association. All fees paid by you to the Association shall become its sole property. These fees shall be deemed payment to the Association for residence and services, and are not held in trust for your benefit.

B. Pursuant to the requirements of any bona fide lender, you agree that your rights under this Agreement shall at all times be subordinate and inferior to the rights of the lender under existing mortgages or deeds of trust and any other extension, modification, renewal of or substitute for these mortgages or deeds of trust or any other mortgages or deeds of trust hereafter executed with the required prior written notice, analyses and reports provided to the Department of Social Services. You further agree to execute, acknowledge and deliver upon request any document required to implement or serve as evidence of such subordination.

IX. MISCELLANEOUS

A. Resident Council

You are encouraged to participate in the Resident Council to discuss and make suggestions regarding any program at Villa Marin.

B. Rules and Regulations

You agree to be bound by the rules and regulations of Villa Marin, contained within its Homeowner/Resident Handbook, as they now exist or as they may later be amended by the Association. A current copy of the Homeowner/Resident Handbook is attached as **Appendix A**. By initialing below, you acknowledge that you have received a copy of the current Homeowner/Resident Handbook from the Association, and that you have read and understood it.

_____ (Resident's Initials) _____ (Resident's Initials)

C. Residents' Personal Obligations

Villa Marin shall not be liable or responsible for any expense incurred, or debt or obligation of any nature or kind contracted by you on your own account, and is not obligated to furnish, supply or give to you any support, maintenance, board or lodging when you are absent from Villa Marin's premises or any credit for absence from room or meals, except as specifically provided in the Medical Care Contract.

D. Personal and Financial Planning

The Association encourages you to prepare and execute Durable Powers of Attorney appointing an attorney-in-fact to handle your financial affairs and health care decisions in the event that you are unable to do so. Forms of these documents are available from Villa Marin's administrative office. You are encouraged to make funeral arrangements prior to residency and to share these arrangements with the Association.

E. Other Residents

The Association may enter into agreements with other residents or non-residents which may contain terms different from those contained in this Agreement. Despite such differences, this Agreement (along with the Declaration) sets forth your rights and obligations with respect to your care and residence at Villa Marin.

F. No Assignment

Your rights and privileges to use and enjoy the living accommodations, facilities and services of Villa Marin are personal, and may not be transferred or assigned by you, by any proceeding at law or otherwise.

G. Third-Party Liability

If you are injured as a result of the fault, negligence, carelessness, or omission of some third party or parties and, if such third-party responsibility cannot be determined at the time services are required, you may, on request, receive such care as may otherwise be available under this Agreement. In the event the Association provides such care (as can be furnished by its employees and facilities), you hereby assign to the Association a lien against any recovery you may obtain from any third party or parties compensating you for injuries sustained by you, which shall secure reimbursement to the Association for the costs incurred by the Association for furnishing this care to you following such injuries or other damages. This lien shall be enforceable by the Association against property held by you or your heirs or assigns. You or your legal representative shall have the duty to diligently pursue any such claim for compensation due to you from a third party or parties for injuries or other damages, and you or your legal representative will cooperate with the Association in collecting such compensation and reimbursing the Association for the cost of the care furnished to you by the Association.

H. Property/Property Damage

The Association will provide a theft and loss program at the Personal Care Facility to help protect residents' personal property. However, the Association shall not be responsible for the loss of any property belonging to you, wherever located at Villa Marin, due to theft, fire, water damage, or any cause beyond the control of the Association, including property placed in your storage unit at Villa Marin. The Association encourages you to obtain insurance protection to cover the full replacement value of all your personal property at Villa Marin. You shall also be responsible for any loss or damage that you or your guests cause to the Association's or any other resident's property at Villa Marin, excluding ordinary wear and tear. You hereby agree to indemnify and reimburse the Association for any loss or damage suffered by the Association as a result of your or your guests' or invitees' carelessness or negligence. Resident hereby agrees to reimburse Villa Marin for any loss or damage suffered by Villa Marin, including reasonable attorney's fees and court costs, as a result of carelessness or negligence of Resident, except for any such loss or damage for which Villa Marin receives an insurance settlement under its coverage. Nothing in this continuing care contract limits either the provider's (i.e. Villa Marin's) obligation to provide adequate care and supervision for the Resident or any liability on the part of the provider which may result from the provider's failure to provide this care and supervision.

I. Right of Entry; RCFE Licensure

You agree that the Association and its employees and agents shall have the right to enter your Unit at all reasonable times for management, housekeeping, or any other reasonable purpose, and at any time for emergency purposes. In addition, because each Personal Care Unit

at Villa Marin is licensed by the California Department of Social Services (the “Department”) as a Residential Care Facility for the Elderly (RCFE), any duly authorized agent of the Department may, upon stating the purpose of his or her visit, enter and inspect your Personal Care Unit, at any time, without advance notice.

J. Waiver of One Breach Not a Waiver of Any Other

The failure of the Association in any one or more instances to insist upon strict performance, observance or compliance by you of any terms or provisions of this Agreement shall not be construed to be a waiver of its right to insist upon strict compliance by you with all of the terms and provisions of this Agreement.

K. State Approval for Mortgaging of Property

In accordance with California law, the Association’s ability to mortgage its property may be subject to certain prior approvals by the California Department of Social Services, and to liens that may be filed by the Department in favor of residents.

L. Financial Statement

The financial condition of the Association is described in the current audited financial statement attached to this Agreement as **Appendix G**. By initialing below, you acknowledge receipt of a copy of current audited financial statement. Upon request, you will receive subsequent annual reports of the Association.

_____ (Resident’s Initials) _____ (Resident’s Initials)

M. Notices

All notices given under this Agreement shall be in writing and shall be addressed to Villa Marin at 100 Thorndale Drive, San Rafael, California 94903, care of the Administrator, or to you at your Unit. Such notices shall be effective when personally delivered or when deposited in the United States first class mail, provided that they are properly addressed with postage prepaid.

N. Admission Documents

Admission documents include an Application for Residency, Financial Report and Physician's Medical History and Physical Examination Report which are attached as **Appendix H**. You warrant that all information contained in these documents is true and correct, and you understand that Villa Marin has relied on this information in accepting you for residency. Any material misrepresentation or omission in your application, made by you or on your behalf, shall make this Agreement voidable at Villa Marin's option.

O. Schedule of Average Monthly Fees

Attached to this Agreement as **Appendix I**, is a schedule of average monthly fees charged for each type of Unit at Villa Marin for the past five (5) years.

P. Entire Agreement

This Agreement is the entire agreement between you and the Association and may be amended only by a written instrument signed by you or your legal representative and by an authorized representative of the Association. The invalidity of any part of this Agreement shall not affect in any way the validity of the remainder of this Agreement.

Q. Duplicate Copies

You agree to execute two (2) identical copies of this Agreement, one to be retained by you and one to be kept in Villa Marin's Administrative Office.

R. Resident Rights

A listing of your statutory rights as the resident of a residential living unit is attached as **Appendix J**.

S. Termination as Continuing Care Retirement Community

Under California law, a continuing care retirement community is required to follow certain procedures in the event that it decides to cease operating as such, with the result that some or all residents must relocate to other settings. A summary of those procedures is included as **Appendix K** to this Agreement.

Date of Signature

Resident

Date of Signature

Resident

Date of Signature

Transferor (if different from Resident)

Transferor address:

VILLA MARIN HOMEOWNERS ASSOCIATION

_____ By: _____
Date of Signature Title: Executive Director

_____ By: _____
Date of Signature Title: _____

NOTICE: This is a continuing care contract as defined by paragraph (8) of subdivision (c), or subdivision (l) of Section 1771 of the California Health and Safety Code. This continuing care contract form has been approved by the State Department of Social Services as required by subdivision (b) of Section 1787 of the California Health and Safety Code. The basis for this approval was a determination that The Villa Marin has submitted a contract that complies with the minimum statutory requirements applicable to continuing care contracts. The Department does not approve or disapprove any of the financial or health care coverage provisions of this contract. Approval by the Department is NOT a guaranty of performance or an endorsement of any continuing care contract provisions. Prospective transferors and residents are strongly encouraged to carefully consider the benefits and risks of this continuing care contract and to seek financial and legal advice before signing.

VILLA MARIN
HOMEOWNER/RESIDENT HANDBOOK

VILLA MARIN

FEES FOR OPTIONAL SERVICES AS OF ____/____/

(These fees are subject to change upon 30 days' written notice to you.)

**VILLA MARIN
MEDICAL CARE CONTRACT**

VILLA MARIN

SKILLED NURSING FACILITY ADMISSION AGREEMENT

VILLA MARIN

TRANSFER AND REVIEW PROCEDURE

The following Transfer and Review Procedure will apply to transfers of residents from their accommodations for one of the grounds for transfer set forth in Section VI of the Care and Residence Agreement . This Transfer and Review Procedure will not apply with respect to residents who are transferred from a skilled nursing room.

All transfer decisions made by the Association will take into consideration the appropriateness and necessity of the transfer and the goal of promoting resident independence.

As set forth below, the Transfer and Review Procedure will involve the resident’s “responsible person” at each stage, unless the resident makes a request to the contrary and is determined in writing to have no cognitive impairment. The resident’s responsible person means an individual or individuals, including a relative, health care surrogate decision maker or placement agency, that assists the resident in placement or assumes varying degrees of responsibility for the resident’s well-being. Where one or more responsible persons is involved, any reference in this Transfer and Review Procedure to participation by the resident in the decision-making process will be taken also as a reference to participation by such individual or individuals.

I. ASSESSMENT

A. The Association will make a formal assessment of the resident’s condition. Prior to doing so, the Association will notify the resident and any responsible person in writing of the assessment process. The notice will cover: (1) a description and explanation of the assessment process, including that it will be the basis for a level of care decision by the Association; (2) the resident’s right to request that the responsible person not be involved in the process if the resident does not have any impairment of cognitive abilities; (3) the resident’s right to request involvement of family members and of the resident’s physician or other appropriate health professional; and (4) the fact that, to the extent that it uses an assessment tool in determining the appropriateness of a transfer, the Association will advise the resident of the tool to be used, and make a copy of the completed assessment tool, including scoring and evaluating criteria, available upon the resident’s request.

B. The Association will arrange for a meeting involving responsible staff, the resident, and other persons involved by the resident to discuss the assessment process and to obtain information that will form the basis for the assessment and the level of care transfer decision by the Association. The meeting will include an interview of the resident regarding the resident’s condition and, if necessary, a private physical examination by a physician retained by the Association, at which the responsible person and the resident’s physician or other appropriate health professional may be present with the resident’s permission.

C. Following completion of the assessment process, the Association will notify the resident in writing of (1) the results of the assessment (including the use of any assessment tool if the resident requests it); and (2) if a decision has been made to transfer the resident, a confirmation of the forthcoming first care conference, including date, time, and place, to explain the reasons for the transfer. The notice will also record the resident's decisions concerning the involvement of the responsible person and others in the process.

II. FIRST CARE CONFERENCE

At the first care conference, the Association will explain the reasons for the transfer and discuss them with the resident and others in attendance. Others in attendance will include the responsible person unless the resident has requested that the responsible person not be present. They also will include, upon the resident's or the responsible person's request, the resident's family members and the resident's physician or other appropriate health professional. A written record of the conference will include (1) the time, date and place of the meeting; (2) names of all attendees, including the resident, responsible parties, and requested family and health care professionals; (3) the substance of the Association's transfer decision; and (4) an explanation of the decision based on the results of the assessment.

III. NOTICE OF TRANSFER

Following the first care conference, the Association will notify the resident in writing of its decision regarding the transfer. If a decision has been made to transfer the resident, the notice will include (1) the reasons for the decision; (2) the date that the resident received the notice; (3) the effective date of the transfer (which will be at least thirty (30) calendar days after the date that the resident received the written notice, except where the health or safety of the resident or other residents is in danger or where the transfer is required by the resident's urgent medical needs); (4) the designated level of care or location to which the resident will be transferred; (5) the resident's right to request that the transfer decision be reviewed at a second care conference; (6) the resident's right, if the transfer decision is disputed after the second conference, to have the Continuing Care Contracts Branch of the California Department of Social Services determine if the Association followed the proper transfer process; and (7) the name, address, and telephone number of the Continuing Care Contracts Branch.

IV. SECOND CARE CONFERENCE

A. If the first care conference results in a decision to transfer, the resident may request a second care conference to review the decision. At the second care conference, the Association will review the transfer decision with members of its interdisciplinary team, the resident and others in attendance. Others in attendance will include the responsible person unless the resident has requested that the responsible person not be present. They also will include, upon the resident's or the responsible person's request, the resident's family members and the resident's physician or other appropriate health professional. Upon the resident's, the responsible person's, or the Association's request, they also will include the local long-term care ombudsperson.

B. Following the second care conference, the Association will notify the resident in writing of its decision regarding the transfer, including the reasons. It also will notify the resident of the right to have the transfer decision reviewed by the Continuing Care Contracts Branch of the California Department of Social Services to determine if the Association followed the proper procedures; and will provide the name, address, and telephone number of the Continuing Care Contracts Branch.

V. DEPARTMENT REVIEW

In the event that a review of the transfer process by the Continuing Care Contracts Branch of the California Department of Social Services is requested, to determine if the Association followed the appropriate procedures, the Association will furnish documentation to the Branch that all applicable steps have been followed. After a prompt and timely review, the Branch will determine, in writing, whether the Association complied with the transfer process set forth in this Transfer and Review Procedure and in California law.

TEMPORARY RELOCATION DUE TO RENOVATION

In the event that it must relocate you from the accommodations that you are occupying (whether residential living, assisted living, or skilled nursing) for a period of 9 months or more due to a change of use or major repairs or renovations, the Association will follow the procedures set forth below. Those procedures summarize requirements in the California continuing care law, copies of which are available from the Community's administrative office.

A. Notice and Preparation

1. The Association will notify you at least 60 days in advance of the residential temporary relocation (the "Relocation").
2. The Association will meet with you, and at your request, family members or other individuals, at least 30 days in advance of the Relocation to discuss all aspects of the Relocation, including, but not limited to, applicable rights, requirements, and procedures.
3. The Association will provide you written notice of the meeting referenced in paragraph 2, above, at least 7 days in advance of the meeting. The notice will include all of the following:
 - a. The date of the Relocation.
 - b. The available replacement living accommodations and corresponding monthly fees.
 - c. The time when you will be able to inspect the replacement accommodations.
 - d. The estimated date when you will be able to return to your prior accommodations or move to substitute permanent accommodations.
4. The Relocation will be to available alternate accommodations that provide services, size, features, and amenities most closely comparable to those that you are vacating, in either (i) the Community, (ii) any other continuing care retirement community that the Association operates within a 30-mile radius of the Community, or (iii) an alternate facility ("Alternate Facility").
5. The Association will arrange and pay for the costs incurred in your move to alternate accommodations, as well as for the costs eventually incurred in moving back to your permanent accommodations in the Community. The Association also will pay any furniture or other storage costs incurred as a result of the Relocation.
6. There will be no adjustment to your Entrance Fee or to the refund provisions in it as a result of the Relocation if it lasts for 18 months or less. You will continue to pay the Monthly Fee to the Association in accordance with your Continuing Care Contract (the "Agreement") or the monthly fee in any Alternate Facility, whichever is less. The Association will make any such payments directly to any Alternate Facility to which you have relocated.

7. Upon you or your representative's request, the Association will make available the services of a licensed medical or geriatric professional to advise you, your representative, and the Community regarding the Relocation. The Association may place a reasonable limit on the cost of such services.

8. The Association will identify any unique service and care needs that you have, as they are affected by the Relocation, and the Association will incorporate them into your written plan of care.

B. Return to Apartment and Other Options

1. The Association will notify you at least 60 days in advance of your return to your existing accommodations or to substitute permanent accommodations, and will give you subsequent notices 30 and 7 days before the return date.

2. You may return to your previous accommodations or to accommodations that are comparable in services, size, features, and amenities to the accommodations that you originally vacated, without payment of any further entrance fee. The Association does not guarantee that you will be able to return to your original accommodations or to any particular accommodations. The Association will assign accommodations appropriate to your condition based on the length of occupancy of returning residents.

C. Relocations Exceeding 18 Months

1. If the Relocation will exceed 18 months, you will have the right to terminate the Agreement and to choose any of the options available to residents in the event of a CCRC closure. These options are set forth in **Appendix K**.

2. If it determines that the Relocation will exceed 18 months, the Association may extend the Relocation period for up to 6 months if you agree to the extension in writing. The written agreement will state that, by signing, you waive all rights set forth in **Appendix K** during the extension period.

VILLA MARIN

AUDITED FINANCIAL STATEMENT OF THE ASSOCIATION

(As of _/_/_)

**VILLA MARIN
ADMISSION DOCUMENTS OF**

(Name of Resident)

VILLA MARIN

HISTORIC SCHEDULE OF AVERAGE MONTHLY FEES

VILLA MARIN

RESIDENTS' RIGHTS

Health and Safety Code Section 1771.7 grants the following rights to residents of continuing care retirement communities:

I. No resident of any continuing care retirement community shall be deprived of any civil or legal right, benefit, or privilege guaranteed by law, by the California Constitution, or by the United States Constitution solely by reason of status as a resident of a community. In addition, because of the discretely different character of residential living unit programs that are a part of continuing care retirement communities, this Section shall augment Chapter 3.9 (commencing with Section 1599), Section 73523 of Title 22 of the California Code of Regulations, and applicable federal law and regulations.

II. All residents in residential living units shall have all of the following rights:

- (1) To live in an attractive, safe, and well maintained physical environment.
- (2) To live in an environment that enhances personal dignity, maintains independence, and encourages self-determination.
- (3) To participate in activities that meet individual physical, intellectual, social, and spiritual needs.
- (4) To expect effective channels of communication between residents and staff, and between residents and the administration or provider's governing body.
- (5) To receive a clear and complete written contract that establishes the mutual rights and obligations of the resident and the continuing care retirement community.
- (6) To maintain and establish ties to the local community.

VILLA MARIN

TERMINATION AS CONTINUING CARE RETIREMENT COMMUNITY

The Association will follow the procedures set forth below in the event that it decides to cease operating Villa Marin as a continuing care retirement community (“CCRC”), with the result that residents no longer will receive services under the Care and Residence Agreement (a “Termination”). In that case, residents may choose to remain in their units at Villa Marin under whatever successor arrangements are being offered or to move to some other setting. The procedures below do not apply to a decision to cease operating as a CCRC and to close Villa Marin due to a natural disaster or other event out of the Association’s control. They summarize the requirements in California Health & Safety Code §§1793.80 through 1793.83, as they apply to a CCRC condominium community like Villa Marin. A copy of that law is available from Villa Marin’s administrative office.

1. At least 120 days prior to the intended date of any Termination, the Association shall give residents, their designated representatives, and the California Department of Social Services (“DSS”) a specific written notice, required by statute, which includes:

a. The proposed date of Termination.

b. A statement that no action will be taken to terminate services under the Care and Residence Agreement until the Association has filed a written termination plan with DSS, the residents and their designated representatives, and the local long-term care ombudsman program. At the time that it gives notice, the Association will cease to enter into any new Care and Residence Agreements with incoming residents.

c. A description of resident rights, including the options (“Resident Options”) to: 1. sell the unit at Villa Marin and relocate to another CCRC owned or operated by an affiliate of the Association, provided that space is available; 2. sell the unit at Villa Marin and relocate to a CCRC not owned or operated by an affiliate of the Association; 3. receive monetary compensation from the Association equal to the value of the remainder of the Care and Residence Agreement (option expires 120 days after resident selects option (ii) above); or 4. negotiate another mutually satisfactory resolution with the Association. Accommodations under paragraph (c)(i) or (ii) shall be, overall, comparable in cost, size, services, features, and amenities to the unit being vacated and shall include compensation by the Association for the resident’s reasonable costs of moving, storage (if applicable), and transportation.

2. At least 90 days prior to Termination, the Association will provide to DSS, the residents of Villa Marin, their designated representatives, and the local long-term care ombudsman program, a written closure and relocation plan (“the Plan”) containing all of the following information:

a. The number of affected residents at each level of care in Villa Marin.

b. An assessment of unique service and care needs, if applicable, for residents receiving special care or assisted living services; for residents requiring assistance with three or more activities of daily living; and for other residents requesting it.

c. An explanation of how comparable care, if applicable, and comparable replacement accommodations, if desired, will be provided.

d. A detailed description of the services the Association will provide to residents who will be relocating to assist them in the process, such as, reasonable costs of moving, storage (if applicable), and transportation arranged in consultation with the resident and his or her designated representative, and paid for directly by the Association.

e. The names and addresses of any other CCRCs operated by an affiliate of the Association and whether there are available openings.

f. The names and addresses of any other CCRCs within 30 miles of Villa Marin that provide accommodations and care comparable to that offered at Villa Marin, and whether such CCRCs have available openings.

g. A description of how the Association will offer and implement the Resident Options, including (i) a description of any replacement facility and the procedure by which a resident can select a replacement facility; (ii) a statement that residents will not be required to pay more than they are paying for comparable accommodations and care at the time of Termination, except for normal rate increases; and (iii) a statement that any proposed monetary compensation shall be fair and reasonable and represent the estimated cost to the resident of securing comparable care (for residents who remain at Villa Marin) and comparable replacement accommodations and care (for residents who sell their units and leave Villa Marin) under terms similar to the Care and Residence Agreement.

h. A statement that the Association will make available, on request and subject to reasonable cost limitations, a licensed medical or geriatric professional to advise the resident, the resident's representative, and the Association regarding the relocation.

3. Within 30 days of submitting the Plan to DSS, the Association shall establish a reserve or trust fund, or secure a performance bond (the "Security"), in an amount sufficient to cover the cost and to ensure the fulfillment of the obligations and commitments associated with implementing the Plan and the Resident Options. The Security shall be funded with qualifying assets approved by DSS and shall not be subject to any liens, judgments, garnishments, or creditor's claims.

4. The Association shall submit monthly progress reports to DSS detailing the progress and problems associated with the Termination, until all residents have settled on their accommodations and all required payments to, or on behalf of, residents are made.