

FILED  
Commonwealth of Virginia  
State Corporation Commission  
Bureau of Insurance  
June 26, 2024  
Commissioner of Insurance  
BY: Young Jones

# SUMMIT SQUARE

## CONTINUING CARE PROVIDER DISCLOSURE STATEMENT

**APRIL 30, 2024**

### **NOTICE**

This Disclosure Statement is provided in accordance with Title 38.2, Chapter 49 of the Code of Virginia. However, the filing thereof with the State Corporation Commission does not constitute approval, recommendation or endorsement of Summit Square Retirement Community by the State Corporation Commission.

## **CONTINUING CARE PROVIDER**

Sunnyside Presbyterian Home (“Sunnyside Communities” or the “Company”), doing business as Summit Square in Waynesboro, Virginia, is a continuing care retirement community (“CCRC”), also referred to as a life plan community and is incorporated as a non-stock corporation under the laws of the Commonwealth of Virginia. Sunnyside Communities owns and operates three campuses — Sunnyside, King’s Grant and Summit Square. The business address of the Company is 600 University Boulevard, Suite L, Harrisonburg, Virginia 22801. The business address of the Summit Square facility is 501 Oak Avenue, Waynesboro, Virginia 22980.

The Registered Agent of the Company is Quinton B. Callahan, Esquire, Clark and Bradshaw, P.C., P. O. Box 71, Harrisonburg, Virginia 22801.

## **OFFICERS, DIRECTORS, TRUSTEES, MANAGING AND GENERAL PARTNERS, AND CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTERESTS**

Sunnyside Presbyterian Home is a non-stock, not-for-profit corporation governed by a 9-18 member Board of Trustees that elects replacement members and corporate officers.

Current Officers of Sunnyside Presbyterian Home, Inc. are as follows:

The Honorable James J. Rowe, Chair 205 Church Street Lewisburg, WV 24901	Mr. Kenneth R. Boward, CFO, Treasurer 600 University Blvd., Suite L Harrisonburg, VA 22801
Mr. Michael W. Pugh, Vice Chair 2040 Airport Road Bridgewater, VA 22812	Mr. Edmond P. Price, Secretary 1272 Cumberland Drive Rockingham, VA 22801
Mr. Joshua O. Lyons, President & CEO 600 University Blvd., Suite L Harrisonburg, VA 22801	Mrs. Lisa W. Kanney, Assistant Secretary 600 University Blvd., Suite L Harrisonburg, VA 22801

Current members of the Board of Trustees are as follows:

The Honorable James J. Rowe 205 Church Street Lewisburg, WV 24901	Mr. Edmund P. Price 1272 Cumberland Drive Rockingham, VA 22801
Mr. Michael W. Pugh 2040 Airport Road Bridgewater, VA 22812	Mr. Jerry Sheets 4080 Lee Highway Weyers Cave, VA 24486
Dr. April Temple 311 Baldwin Drive Staunton, VA 24401	Mr. David W. Garland, CPA 310 Jefferson Davis Drive Martinsville, VA 24112
Dr. Daphyne S. Thomas 1112 Sharpes Drive Harrisonburg, VA 22801	
Mr. James Krauss 2491 Massanetta Springs Road Rockingham, VA 22801	
Mr. Jeffrey G. Lenhart 141 Elgin Court Rockingham, VA 22801	

Directors, Managing and General Partners, and Certain Persons who hold equity or beneficial interests are as follows: **None**

**BUSINESS EXPERIENCE OF; ACQUISITION OF GOODS AND SERVICES FROM; AND CRIMINAL, CIVIL AND REGULATORY PROCEEDINGS AGAINST THE PROVIDER; ITS OFFICERS, DIRECTORS, TRUSTEES, MANAGING AND GENERAL PARTNERS; CERTAIN PERSONS WHO HOLD EQUITY OR BENEFICIAL INTERESTS; AND THE MANAGEMENT**

A. The Company has operated Sunnyside in Rockingham County, Virginia since 1955, King's Grant in Henry County, Virginia since 1993, and Summit Square in Waynesboro since 1998. Following is a list of the business experience of the current corporate officers and managers who are responsible for the operation of Summit Square:

**James J. Rowe, Chairman of the Board of Trustees**, attended Hampden-Sydney College, received a B.A. degree from West Virginia University in 1972, and a J.D. from George Mason University in 1977. Since 1997, he has served as Circuit Court Judge, 11<sup>th</sup> judicial circuit, Greenbrier and Pocahontas Counties. Judge Rowe has served on Sunnyside's Board of Trustees since 1993. He became Chairman of the Corporate Board effective January 2004.

**Joshua O. Lyons, President & CEO**, received his Bachelor's degree in health services from James Madison University in 2000 and his Master's degree in managing of aging services from the University of Maryland Baltimore County. Mr. Lyons is a licensed nursing home administrator. Mr. Lyons joined the company in 2014 as executive director of the Sunnyside campus and became president & CEO in March of 2020. He has over 20 years in the senior living industry.

**Kenneth R. Boward, Treasurer & Chief Financial Officer**, received his Bachelor's degree in accounting from VA Tech in 1986 and became a CPA in 1988. He joined the company in 2013 after a 25-year career in accounting and finance in various leadership roles with three different public companies and the accounting firm of PriceWaterhouse.

**Matt Dameron, Executive Director**, received his Bachelor's degree in management and business from James Madison University. He is a licensed nursing home administrator and preceptor in Virginia. He joined the company in 2022. An experienced senior living professional, he has served in several leadership roles including serving as associate executive director, assistant executive director and director of resident services.

B. No Corporate Officer, Trustee or the Provider owns a ten percent or greater direct or indirect interest in any firm, foundation, trust, partnership, corporation or other business entity in which it is presently intended will or may provide goods, leases or services to the Company of a value of \$500 or more.

C. Sunnyside Communities, nor any of its Officers, Trustees, or Managers:

1. Have been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action involving fraud, embezzlement, fraudulent conversion or misappropriation of property; or
2. Are subject to an injunctive or restrictive order of a court of record, or within the past five years had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of 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. Are currently the subject of any state or federal prosecution, or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of assets.

## **OWNERSHIP OF REAL PROPERTY**

Sunnyside Communities owns in fee simple the entire 5.3-acre campus on which it operates a continuing care retirement community along with all buildings and other improvements located thereon. See Note 6 of the 2023 Financial Statements for details relative to mortgages on said property.

## **LOCATION AND DESCRIPTION OF REAL PROPERTY**

The real property is located at 501 Oak Avenue in Waynesboro, Virginia. The property consists of: 5.3 acres of land and a 141,000 square foot five-story brick building containing 55 independent living apartments, 16 assisted living beds, 15 catered living apartments, 17 memory care beds, 18 nursing beds, and 8 patio homes located along the south property line of the site.

## **AFFILIATION WITH RELIGIOUS, CHARITABLE OR OTHER NONPROFIT ORGANIZATIONS: TAX STATUS OF PROVIDER**

Sunnyside Communities is exempt from Federal and Virginia income taxes under Section 501(c)(3) of the Internal Revenue Code.

## **SERVICES PROVIDED UNDER CONTINUING CARE CONTRACTS**

The services to be provided by Sunnyside Communities are set forth in Sections 2 and 3 of the Summit Square Occupancy Agreements (continuing care contracts) which are annexed to this disclosure statement as Exhibit A and B.

Health care services to be provided are as follows:

### **Outpatient Services**

Summit Square may provide a clinic where the resident may be examined and treated as an outpatient. Summit Square may arrange for Clinical staff to be available from time to time in the clinic. The resident may, however, engage the services of an alternative clinical professional who may also use the facilities of the clinic subject to the policies and procedures of Summit Square.

Summit Square may arrange for the services of a physical, occupational or speech therapist, a dentist, and other health professionals, as appropriate. The resident is responsible for payment of charges by these health professionals. The resident is also responsible for charges incurred in the clinic.

### **Inpatient Services**

Type I Contract. Residents are entitled to priority admission to Summit Square's Assisted Living Center or Health Care Center, a Skilled Nursing Facility. In accordance with Section 3.2 of the Occupancy Agreements, the cost of care in the Assisted Living Center or Health Care Center will be the responsibility of the resident. Fees for care beyond any credits shall be the responsibility of the resident. Care beyond the capacity of Summit Square Health Care Center may require transfer to an appropriate facility outside of Summit Square.

Type II Contract. Should the resident require care in Assisted Living and/or the Health Care Center, ninety (90) days of such care shall be provided by Summit Square. Such days are cumulative over the resident's lifetime and are non-transferable, non-renewable, and non-refundable. During those ninety (90) days, the resident will continue to be responsible for his/her regular Monthly Fee, additional meals, and ancillary medical supplies. If care is required beyond the ninety (90) day period, the resident shall be responsible for payment of the full per diem rate currently applicable to the level of care that he/she

is receiving.

**Type III Contract.** Residents are entitled to priority admission to Summit Square's Assisted Living Center or Health Care Center, an Intermediate Care Facility. The Resident is responsible for payment of the cost associated with these levels of care in accordance with Section 3.2 of the Occupancy Agreement. In accordance with Section 7 of the Occupancy Agreement, a partial (up to 50%) refund of the Entrance Fee is provided, which may be used to pay the cost of care in the Eiland Assisted Living Center or Pannill Health Care Center. Care beyond the capacity of the Pannill Health Care Center may require transfer to an appropriate facility outside of Summit Square.

**Rental Contract.** This contract is similar to the Type I contract and is available only on select residences. There is a minimal entrance fee required on this plan but the monthly fee is higher. Should the resident(s) require care in assisted living or health care, he/she pays the applicable daily fee for such care. There is no refund provision for this plan.

## **FEES REQUIRED OF RESIDENTS**

An entrance fee is required upon entry to Summit Square for patio home and apartment residences, which entitles the resident(s) to occupy said residence. In addition, a monthly Maintenance Fee is charged for each residence. These fees are typically reviewed annually by the Board of Trustees and may be increased or decreased by an amount deemed financially prudent. A 30-day notice of such changes in these fees will be provided. However, any entrance fee adjustments affect only future residents. Residents with Type I, II and III contracts, who temporarily or permanently transfer to Assisted Living or Health Care will pay the per diem rate in effect for these levels of care at the time of occupancy. The monthly maintenance fee for the patio home or apartment will not apply during the period of temporary or permanent residence in these other levels of care except in the case of a short-term skilled stay in health care as defined by Medicare. In this case, Medicare or the equivalent Medicare Advantage plan as applicable determine the total rate for the skilled stay (inclusive of meals, all therapeutic and nursing services, and medications) based on the level of care required which is paid to Sunnyside by Medicare or the other insurance providers and the resident would continue to pay their monthly maintenance fee for their independent living or assisted living unit less an absence credit if applicable.

Schedules of entrance and monthly fees are attached to this disclosure statement as Exhibit C.

Entrance Fees are payable at the execution of the occupancy agreement. A full refund prior to occupancy will be granted should the resident(s) decide not to enter Sunnyside. See Section 7.1 of the Occupancy Agreements.

The following table shows the frequency and average dollar amount of increase in monthly fees for Summit Square:

Effective January 1	Monthly Fees										Entrance Fees	
	Village		Apartments		AL		MC		HC		Only Applies to IL	
\$ Inc	% Inc	\$ Inc	% Inc	\$ Inc	% Inc	\$ Inc	% Inc	\$ Inc	% Inc	\$ Inc	% Inc	
2024	\$ 72	4.90%	\$ 180	4.50%	\$ 398	4.90%	\$ 487	5.50%	\$ 662	5.90%	\$5,133	5.0%
2023	\$ 72	6.50%	\$ 180	6.50%	\$ 490	6.50%	\$ 574	6.50%	\$ 669	6.50%	\$10,860	11.8%
2022	\$ 51	4.90%	\$ 126	4.90%	\$ 331	4.90%	\$ 335	4.90%	\$ 482	4.90%	\$ 5,430	6.3%
2021	\$ 30	2.90%	\$ 70	2.90%	\$ 213	3.00%	\$ -	3.00%	\$ 300	3.00%	\$ 1,530	1.8%
2020	\$ 50	3.00%	\$ 86	3.00%	\$ 216	3.25%	\$ -	3.25%	\$ 301	3.25%	\$ 2,558	3.1%

**The following is a list of additional fees and payments required of the Residents:**

1. An application fee of \$1,175 (of which \$1,000 is refundable) and fees for any services and supplies that the Company may provide over and above its obligations under the Occupancy Agreement.
2. Patio Home residents are required to pay for electricity and natural gas used in their individual living units. Separate meters are provided.
3. The resident is required to pay for hazard insurance on their personal possessions in the living units if such coverage is desired.
4. Resident(s) are required to maintain Medicare or similar insurance and Medigap or supplemental insurance coverage.

The Company typically receives the entrance fees at the time that the new resident takes possession of the living unit. However, should we embark on a new major construction or for some other reason require the entrance fees to be paid in advance of taking possession, in accordance with Virginia law, payments on entrance fees received prior to the living unit being made available to the resident would be escrowed with a banking institution. These funds remain the property of the prospective resident until released to the Company. The funds in escrow shall not be subject to any liens, judgments, garnishments, or creditor's claims against the Company.

All funds deposited in escrow as described above shall be released to the Company when the Company presents to the escrow agent evidence that a unit has been occupied by the resident or a unit of the type reserved is available for immediate occupancy by the resident or prospective resident on whose behalf the fee was received.

Notwithstanding any other provision of this section, all funds deposited in escrow pursuant to this section shall be released according to the terms of the escrow agreement to the prospective resident from whom it was received (i) if such funds have not been released within three years after placement in escrow or within three years after construction has started, whichever is later (but in any event, within six years after placement in escrow unless specifically approved by the Commission), or within such longer period as determined appropriate by the Commission in writing, (ii) if the prospective resident dies before occupying a unit, (iii) if the construction is stopped indefinitely before the facility is completed, or (iv) upon rescission of the contract pursuant to provision in the contract. However, funds released to the Company as described above may be held in escrow for an additional period at the mutual consent of the provider and the prospective resident; however, the prospective resident may consent to such additional period only after his/her deposit has been held in escrow for at least two years.

Charges by the escrow agent shall be deducted from the earnings on escrowed amounts. Interest accrued will become the property of the Company and be used to reduce long-term debt.

All funds in the escrow account shall be invested in instruments authorized for the investment of public funds as set forth in Chapter 18 (2.1-327 et seq.) of Title 2.1 and not in default as to principal or interest.

## **RESERVE FUNDING**

In accordance with generally accepted accounting principles, Sunnyside Communities maintains its accounting records utilizing the principles of fund accounting. Within this method, entrance fees are recorded as deferred revenue when received and amortized into revenue on an actuarial basis (see Note 1 to the 2023 Financial Statements).

Sunnyside Communities has established endowment funds, which receive contributions that are solicited by Sunnyside's various fund-raising programs. The interest and dividends earned by this fund are used to

assist individual residents who may have financial difficulty, for general obligations of Sunnyside Communities or those specified by the donor. These funds are under the control of the Audit and Finance Committee of Sunnyside's Board of Trustees who have appointed CapTrust as manager of these funds and all other internally and externally designated funds, as well as all other unrestricted investments. The performance of all such investments are reviewed and evaluated quarterly by the Audit and Finance Committee. The Audit and Finance Committee has the authority to approve or disapprove the investment portfolio selected by the above-mentioned managers. On December 31, 2023, the fair value of the investments which were temporarily restricted by donors or the Board of Trustees was \$21.6 million and the fair value of investments which were unrestricted was \$39.3 million.

## **CERTIFIED FINANCIAL STATEMENTS**

See Exhibit D - Audited Financial Statements.

## **PRO FORMA INCOME STATEMENT**

See Exhibit E for Pro Forma 2024 Statement of Revenue and Support, and Expenses, and the assumptions underlying these projections.

## **SUNNYSIDE COMMUNITIES DEBT COVENANTS**

See Exhibit F for the Guaranty and Credit Agreement with BB&T Bank dated January 1, 2020.

## **ADMISSION OF NEW RESIDENTS**

Applicants for Assisted Living or the Health Care Center are considered based upon the criteria described in Summit Square's Admissions Policies and Guidelines (Exhibit G). However, applicants for patio home residences or residential apartments are expected to have the financial ability to pay the required Entrance Fee and to have sufficient income to cover the existing and future monthly Maintenance Fees. If, due to an increase in monthly fees, decline in income, or a combination of these events, a resident is unable to pay the entire monthly Maintenance Fee, application for Fellowship assistance can be made to Summit Square's Executive Director.

The health care utilization forecasts assume a health screening procedure that precludes coverage under the Occupancy Agreement of persons whose health condition indicates a strong likelihood of the imminent need for long-term care. A health screen is utilized in an effort to control against inappropriate adverse selection, which could result in a significant increase in healthcare utilization beyond that anticipated in the forecasts. The effectiveness of any such health screen is subject to limitations on available data linking specific health conditions to projected utilization.

See Exhibit G - Summit Square Admission Policy.

## **ACCESS TO FACILITY BY NON-RESIDENTS**

Summit Square will not provide access to the facility's services to non-residents with the exception of (i) direct admission to the Health Care Center and Assisted Living Center on a space available basis in order to maintain a financially adequate level of operation in said facility, (ii) meals and overnight lodging on a fee for services basis to guests of Residents or to prospective Residents.

## **ANTICIPATED SOURCE AND APPLICATION OF PURCHASE OR CONSTRUCTION FUNDS**

As noted in the 2024 capital budget, Summit Square's planned capital expenditure spend in 2024 is \$2.2 million, \$1.9 million of which relates to unit and common space renovations and \$0.3 million for building exterior and grounds, infrastructure, vehicles, and IT.

## **PROCEDURE FOR RESIDENT TO FILE A COMPLAINT OR DISCLOSE CONCERN**

Each resident, upon admission, will be provided a copy of the Residential Grievance Procedure. A copy of this procedure (Exhibit H) will be signed by the resident, acknowledging that a copy of the procedure has been received and understood, and will be kept in the resident's personal file.

Additionally, Summit Square has an active resident council which encourages resident participation. This body acts as a conduit for residents' concerns and suggestions to administration. Also, the Company's Present & CEO and staff maintain an open-door policy, which allows residents to meet privately with staff to discuss concerns and problems. Residents with grievances are required to follow Summit Square's grievance procedure.

Each resident, upon admission, is provided a copy of the Residential Grievance Procedure. A copy of this procedure is signed by the resident, acknowledging that a copy of the procedure has been received and understood, and is kept in the resident's personal file.

## **OTHER RELEVANT INFORMATION**

There is no pending litigation against the Company or significant subsequent events reportable for the 2022 audited financial statements.

Exhibits A & B

Occupancy Agreements

# SUMMIT SQUARE

## ASSISTED LIVING OCCUPANCY AGREEMENT



*Summit Square*

WHERE LIFE IS BETTER

**SUMMIT SQUARE**  
**ASSISTED LIVING OCCUPANCY AGREEMENT**

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# **SUMMIT SQUARE**

## **ASSISTED LIVING OCCUPANCY AGREEMENT**

### **INTRODUCTION**

THIS AGREEMENT is made on \_\_\_\_\_, by and between SUNNYSIDE PRESBYTERIAN HOME of Rockingham County, Virginia, hereinafter Summit Square, and \_\_\_\_\_ (“Resident”)

Sunnyside Presbyterian Home is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

### **AGREEMENTS**

#### **1. LIVING ACCOMMODATIONS AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable right to occupy Room number \_\_\_\_\_ located in the Assisted Living Unit (the “Living Unit”), subject to removal only as hereinafter provided.

**1.2 Furnishings.** Summit Square shall provide in the Living Unit a bed, nightstand, chest of drawers, and chair. Resident may provide other furnishings.

**1.3 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Sunnyside.

#### **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, and in-house telephone service) in connection with the occupancy of the Living Unit, subject, however, to the availability of such services to Summit Square. Local and long-distance telephone service will be provided by Summit Square at an additional charge.

**2.1.2 Meals.** Summit Square shall furnish the Resident with three meals per day. Meals shall be nutritionally well balanced and served in the Assisted Living dining room. Resident may opt for meals in their room if medical conditions warrant.

**2.1.3 Housekeeping.** Weekly housekeeping services shall be provided by Summit Square. However, the Resident shall maintain the Living Unit in a clean, sanitary, and orderly condition.

**2.1.4 Laundry.** Summit Square shall provide laundry service for all bed linen, towels, and personal laundry.

**2.1.5 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square.

**2.1.6 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.7 Mail.** Personal mail shall be delivered to Resident's room.

**2.1.8 Programs.** Programs of social, recreational, wellness, and religious activities shall be provided for interested residents.

**2.1.9 Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation for medical appointments shall be provided in accordance with policies and procedures at Summit Square. In appropriate circumstances, transportation via ambulance or other related services may be necessary. The Resident is responsible for payment of such transportation and any other associated charges.

**2.1.10 Nursing Services.** Summit Square shall provide assistance with the activities of daily living, including bathing, dressing, taking

of prescribed medication, etc. This assistance will be provided by Summit Square's nursing staff in the Assisted Living Unit. Nursing personnel are available, in case of emergency, on a 24-hour basis.

**2.1.11 Care Changes.** A 14-day notice will be given in the event the scope of care as provided herein is to be changed unless a physician orders 24-hour nursing care or a prohibitive condition exists.

**2.1.13 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber shops; and additional housekeeping and grounds maintenance.

### **3. HEALTH CARE**

**3.1 Outpatient Services.** Summit Square shall provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square does not provide or supervise physician services.

Summit Square may arrange for the services of a physical therapist, a dentist, and other health professionals, as it deems necessary. The Resident is responsible for payment of charges by these health professionals.

**3.2 Inpatient Services.** The Resident shall have priority admission to the Health Care Center. The cost of care in these facilities shall be the responsibility of the Resident. Care shall be provided as may be appropriate in a nursing facility. Need for care beyond that which can be provided in this setting may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to the Health Care Center shall terminate the rights and obligations of both parties to this Agreement.

**3.3 Attorney-in-Fact.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, that in the event the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make the necessary decision, Resident hereby appoints the Executive Director of Summit Square or a person so designated to act in the stead of said Executive Director as his/her agent and Attorney-in-Fact, to contract for him/her in his/her name for such hospitalization, medical treatment, or to have such necessary surgical operation performed, provided a competent physician advises and recommends such medical treatment or surgery as apparently necessary. It is distinctly agreed that neither Summit Square nor the Executive Director and/or designee shall be liable to Resident nor to any other person in any manner whatsoever because of such surgery or the result thereof.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance:

- (a) Charges of any physician, physical therapist, occupational therapist, podiatrist, or other health professional, whether provided by Summit Square or elsewhere;
- (b) Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

### **3.5 Medical Insurance**

**3.5.1** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap Supplemental Insurance. The Provider and this Agreement do not act as a substitute for Medigap Insurance.

**3.5.2** The Provider may, at option and without obligation, obtain policies of insurance covering its services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Daily Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

**3.5.3 Mental Illness, Contagious Disease.** If the Provider determines that the Resident's mental or physical illness causes continued presence at the community to be dangerous or detrimental to the health or peace of the Resident or other Residents, the Provider may transfer the Resident to an institution selected by the Provider (or by the Resident or the Resident's Responsible Party if they have a preference, provided such transfer is appropriate and can be accomplished within a reasonable timeframe) at the Resident's expense. While at such an institution, the Resident shall continue to pay the Daily Fee.

## **4. OCCUPANCY AND FEES**

**4.1 Daily Fee.** Resident shall pay to Summit Square a Daily Fee, currently \$\_\_\_\_\_ payable monthly in advance for the services described in Sections 1 and 2. Summit Square shall endeavor to maintain its schedule of fees at the lowest possible rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident. **Community Fee.** In addition to the daily fee, the Resident shall pay a one-time, non-refundable community fee of \$3,000 (If the Resident has previously paid an entrance fee, this fee will be waived). In the event of transfer of ownership, closing of facility, or Resident transfer or discharge, any advance payments beyond the effective date of said event shall be refunded.

**4.2 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents.

**4.3 Survivor.** If this Agreement is executed by two Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall devolve upon, the surviving Resident to the same extent as if such surviving Resident had been sole and only Resident under the terms of this Agreement.

**4.4 Resident's Inability to Pay.** It is the policy of the Provider not to terminate the residency of the Resident solely by reason of financial inability of the Resident to pay the Daily Fee, provided the Resident has not transferred assets in violation of this Agreement or applicable law. If the Resident is unable to meet the financial obligations to the Provider, the Resident agrees to liquidate personal assets in order to meet said obligations. The Resident will also furnish to the Provider sufficient financial information that will justify that the Resident is unable to pay the total Daily Fee and other charges. When the Resident establishes facts to justify the need for such financial assistance, the Provider may, if it can do so without impairing the ability of the community to operate on a sound financial basis, subsidize the Resident's Daily Fee. In the event financial assistance is granted, the Resident shall be liable to the Provider for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate.

**4.5 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Living Unit (a) at all reasonable times for inspection and to perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.6 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to the Health Care Center, all of the Resident's property shall be removed from the previously occupied Living Unit within 15 days. In the event that such property is not removed within such 15-day period, Summit Square shall have the right to remove and store such property at the Resident's expense, or at the expense of his/her estate, for a period of six months; and, thereafter, if such property is not claimed, it shall be disposed of in accordance with the laws of the State of Virginia.

**4.10 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, it is recommended the Resident insure his/her property against casualty and theft loss.

**4.11 Rules and Regulations.** Resident will abide by the Summit Square rules and regulations and such reasonable amendments, modifications and changes of these rules and regulations as may hereafter be adopted by Summit Square. Any rules and regulations adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.12 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Summit Square campus), as well as adjacent property. Residents not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## **5. SURRENDER OF RIGHT OF OCCUPANCY**

**5.1 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or peace of the other residents, or when Summit Square determines such action to be in the best interests of the Resident, Summit Square shall have authority, in consultation with the Resident's Attorney-in-Fact, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this contract.

**5.2 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of the Daily Fee; repeated conduct by the Resident that interferes with other residents quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written rules and regulations; persistent refusal to comply with care plan that is medically required; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident.

**5.3 Opportunity to Cure.** Where applicable, an opportunity will be given to cure, within a 30-day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.4 Voluntary Cancellation by Resident.** Resident shall give a thirty (30) day written notice prior to voluntary cancellation of this agreement. If Resident fails to give the proper notice, he/she agrees that Summit Square shall charge its normal fees for the 30-day period.

## MISCELLANEOUS

**6.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**6.2 Representations.** The application and the statement of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements herein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 in this Agreement.

By affixing his or her signature to this Agreement, Resident certifies that he/she has passed his/her 62<sup>nd</sup> birthday or, in the case of a married couple, that one partner has done so; that he or she has been given a copy of and has had the opportunity to read the *Summit Square Resident's Handbook*; and that he/she has been informed of the following:

**(a)** Based on your Uniform Assessment Information (UAI), Summit Square is licensed to provide the services required.

**(b)** Summit Square is licensed to operate an Assisted Living Facility by the Department of Social Services. The regional office address is:

Commonwealth of Virginia  
Department of Social Services  
Division of Licensing  
1550 Commerce Road, Suite 103  
Staunton, VA 24401  
276.206.0492

(c) Summit Square is licensed to operate a Nursing Care Facility (Health Care Center) by the Virginia State Department of Health, which is located at 109 Governor Street, Richmond, Virginia 23219.

**THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT**, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

Summit Square and the Resident agree to the terms and conditions set forth in this Agreement dated \_\_\_\_\_

## **SIGNATURES**

Print Name

SUNNYSIDE PRESBYTERIAN HOME

---

By: \_\_\_\_\_  
"Summit Square"

Print Name

---

By: \_\_\_\_\_  
"Resident"

---

By: \_\_\_\_\_  
"Resident"

---

By: \_\_\_\_\_  
"Attorney-in-Fact", if applicable

## **ACKNOWLEDGMENTS:**

I hereby acknowledge I/we have received the following:

Initials:

- \_\_\_\_  A complete copy of this Occupancy Agreement
- \_\_\_\_  A copy of this Resident's Handbook
- \_\_\_\_  A copy of the Admissions Acknowledgement for Assisted Living (Attached)
- \_\_\_\_  A copy of the Schedule of Ancillary Fees
- \_\_\_\_  A copy of the Assisted Living Liability Insurance Disclosure Notification Form (Attached)

Initials \_\_\_\_\_

# **Assisted Living Facility Liability Insurance Disclosure Notification Form**

## **Required by the Virginia Department of Social Services**

*(As specified in 22 VAC 40-742-390 A 6)*

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### **Facility must indicate Yes or No below:**

This facility maintains liability insurance that provided at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from the negligent acts of the facility.

Yes

No

Resident Signature: \_\_\_\_\_

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

# Summit Square

## APARTMENT OCCUPANCY AGREEMENT

Initials

- Type I – Fee for Service**
- Type II – 90 Days Care**
- Type III – 50% Refund**



# Summit Square

## APARTMENT OCCUPANCY AGREEMENT

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## **I. Recitals**

### **Definitions**

**“Agreement” “Or Occupancy Agreement”** shall mean this document and any attachments, and the Application and medical history provided by the resident.

**“Assisted Living”** shall mean the assisted living services and facilities at Summit Square, which the Summit Square shall be licensed by the state to provide.

**“Attorney-in-Fact”** shall mean that individual that the Resident identifies through proper identification as the Resident’s power of attorney and health care power of attorney.

**“Community”** shall mean the Sunnyside Presbyterian Home of Rockingham County, Virginia, hereafter Summit Square a Virginia not-for-profit corporation and the operator of Summit Square.

**“Continuing Care”** shall mean the provision of lodging and nursing, medical or other health related services at the same or another location to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of an entrance fee or other fee with or without other periodic charges. An individual who is provided continuing care is one who is not related by consanguinity or affinity to the person who provides the care.

**“Co-occupant”** shall mean the relative, friend or friends residing with the Resident in the Residence.

**“Entrance Fee”** shall mean the sum of money transferred by the resident to Summit Square as full or partial consideration for acceptance of the resident into Summit Square and as described in Section 4.2 of this Agreement.

**“Executive Director”** shall mean the individual with overall responsibility for directing and planning the day-to-day administration of Summit Square.

**“Health Care Center”** shall mean the nursing facility licensed by the Virginia Department of Health at Summit Square.

**“Monthly Fee”** shall mean the fee paid by the Resident to Summit Square on a monthly basis and described in this Agreement.

**“Permanent Resident”** shall mean a Resident who the Resident review Committee, after consultation with the Resident and/or the Resident’s responsible party, the personal physician and the Executive Director, has determined needs permanent or prolonged full-time care in a nursing facility or hospital (including a mental health facility).

**“Residence”** shall mean the residential accommodation designated by the Resident in Section 1.1 – Living Accommodations of this Agreement, or any other accommodation to which the Resident transfers, including residences in the Health Care Center.

**“Resident”** shall mean the person or persons listed in the signature page of this agreement.

**“Resident Review Committee”** shall mean a multidisciplinary staff committee that reviews the health and safety of each resident to determine the appropriate level of care and/or service.

# Summit Square

## APARTMENT OCCUPANCY AGREEMENT

### INTRODUCTION

THIS AGREEMENT is made on \_\_\_\_\_ by and between SUNNYSIDE PRESBYTERIAN HOME of Rockingham County, Virginia, hereinafter doing business as Summit Square, and \_\_\_\_\_ (“Resident”).

SUNNYSIDE PRESBYTERIAN HOME is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

### AGREEMENTS

#### 1. LIVING ACCOMMODATIONS, FACILITIES AND FEES

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable life right to occupy the Residence known as \_\_\_\_\_ (the “Residence”), and subject to removal only as hereinafter provided.

**1.2 Entrance Fee.** The Resident shall pay to Summit Square an Entrance Fee in the amount \$ \_\_\_\_\_ in payment for the rights described herein. Said amount, less any advance deposits, and including all change/modification costs, is payable on date of occupancy or assigned date of occupancy, whichever comes first. The Entrance Fee charge shall not be increased or changed for the duration of this agreement.

**1.3 Monthly Fee.** Resident shall pay to Summit Square a Monthly Fee, currently \$ \_\_\_\_\_, **payable in advance** for the services described herein. Summit Square shall endeavor to maintain its schedule of fees at a reasonable rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident. The Resident shall not be entitled to occupy the Residence or to receive any services whatsoever from

Summit Square until the payment of the Monthly Fee and/or Entrance Fee described in these sections has been received.

**1.4 Furnishings.** Summit Square shall provide an all-electric kitchenette in the Residence. Resident shall provide all other furnishings. Electrical and mechanical appliances provided by Resident shall be subject to approval by Summit Square.

**1.5 Physical Changes in the Residence.** Any material physical change (i.e., changes to structure, fixtures, floor coverings) of any kind to the Residence may be made only upon the written approval of Summit Square. Any approved change(s) will be at the Resident's own cost unless otherwise agreed to in writing by Summit Square. The approval of any change requested by the Resident will be conditioned upon the agreement by the Resident to bear the expense of restoring the Residence to its original condition, unless otherwise approved in writing by Summit Square. All change/modification costs are payable on the date of occupancy, whichever comes first.

**1.6 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Summit Square.

## **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, cable television, and in-house telephone service) in connection with the occupancy of the Residence, subject, however, to the availability of such services to Summit Square. Summit Square will provide local and long-distance telephone service at an additional charge.

**2.1.2 Local Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation shall be provided in accordance with policies and procedures at Summit Square. Summit Square reserves the right to charge appropriate fees for such transportation. In appropriate circumstances, transportation via ambulance or other related services may be necessary. In these instances, the Resident is responsible for payment of such transportation and any other associated charges. Transportation for special and group trips may be available, and the cost of such trips shall be borne by the Resident.

**2.1.3 Meals.** Summit Square shall provide a meal plan each month to the Resident. The Resident may purchase additional meals at a cost to be determined by Summit Square. The monthly allocation from the Resident's monthly fee for the meal plan will be \$350. The amount of the allocation may be adjusted from time to time as determined by Summit Square.

**2.1.4 Housekeeping.** Summit Square shall provide weekly housekeeping services. However, the Resident shall maintain the Residence in a clean, sanitary, and orderly condition.

**2.1.6 Laundry.** Summit Square shall provide weekly laundry service for all bed linen and towels. Summit Square shall provide washers and dryers in common areas for use by the Resident for his/her personal laundry.

**2.1.7 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square. Any work provided by Summit Square at the request of the Resident for repairs, maintenance and replacement will be at the Resident's own expense. All contractors performing work must be approved by the Executive Director or his or her designee.

**2.1.8 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.9 Mail.** Individual mailboxes shall be provided in a central location.

**2.1.10 Resident Council.** Interested residents may establish and maintain a Resident Council. Summit Square will be responsible for providing assistance with the formation and maintenance of the council, whether or not such a council exists in Summit Square. The general purpose of the council is to promote a free exchange of ideas, to work with the administration in improving the quality of life for all residents, to discuss the services offered by Summit Square and make recommendations for resolution of identified problems or concerns and to perform other functions as determined by the council.

**2.1.11 Events.** Events of a social, recreational, wellness, and religious variety shall be provided for interested residents. Additional events requested by the Resident may be provided subject to the considerations of costs, interest, and benefit to the overall Resident population.

**2.1.12 Emergency Services.** Summit Square shall provide, in case of a medical emergency, 24-hour on-call nursing personnel.

**2.1.13 Care Changes.** A 30-day notice will be given in the event the scope of care as provided herein is to be changed. In urgent situations the notice will be waived.

**2.1.14 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber shops; clinic services (e.g.- foot care, blood glucose

monitoring, etc.); notary public services; additional housekeeping; and individual landscaping.

### **3. HEALTH CARE (Nursing, Assisted Living and Catered Living)**

**3.1 Outpatient Services.** Summit Square may provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square may arrange for Clinical staff to be available from time to time in the clinic. The Resident may, however, engage the services of an alternative clinical professional who may also use the facilities of the clinic subject to policies and procedures of Summit Square.

Summit Square may arrange for the services of a physical/occupational/speech therapist, a dentist, and other health professionals, as appropriate. The Resident is responsible for payment of charges by these health professionals. The Resident is also responsible for charges incurred in the clinic.

**3.2 Inpatient Services.** The Resident shall have priority over non-residents for admission to Summit Square Assisted Living or the Health Care Center. Care will be provided as may be appropriate in an assisted living facility or nursing facility. Need for care beyond that which can be provided in these settings may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to Summit Square Assisted Living or Health Care Center shall terminate the rights and obligations of both parties to this Agreement, and a new Agreement will be signed and initiated for the Summit Square Assisted Living Unit or Health Care Center, whichever is applicable.

**3.2.1 For Type I and Type III Occupancy Agreements only.** The cost of care in these facilities shall be the responsibility of the Resident.

**3.2.2 For Type II Occupancy Agreements only.** Should the Resident require care in Assisted Living and/or the Health Care Center, ninety (90) days of such care shall be provided by Summit Square. Such days are cumulative over the Resident's lifetime and are non-transferable,

non-renewable, and non-refundable. During those ninety (90) days, the Resident will continue to be responsible for his/her regular Monthly Fee, additional meals, and ancillary medical supplies. If care is required beyond the ninety (90) day period, the Resident shall be responsible for payment of the full per diem rate currently applicable to the level of care that he/she is receiving.

**3.3 Emergency Situations.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, and the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make the necessary decision, Resident hereby appoints the Executive Director of Summit Square or a person so designated to act in the stead of said Executive Director to request immediate transportation of the Resident to the local hospital for care. It is agreed that neither Summit Square nor the Executive Director and/or designee shall be liable to Resident nor to any other person in any manner whatsoever because of such actions.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's supplemental insurance:

**3.4.1** Charges of any physicians, physical/occupational/speech therapists, podiatrists, or other health professional, whether provided by Summit Square or elsewhere;

**3.4.2** Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

**3.5 Medical Insurance.** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap or other supplemental insurance for which the Resident may qualify. Summit Square and this Agreement do not act as a substitute

for Medigap or other supplemental insurance. All premium payments on such policies and the associated costs of the same shall be reflected in future Monthly Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

## **4. OCCUPANCY**

**4.1 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents prior to occupancy and with any changes or updated versions of these documents. In no case shall occupancy be permitted without the above.

**4.2 Occupancy.** Resident agrees to occupy the Residence assigned on or before \_\_\_\_\_. In the event the Resident does not occupy the Residence on this assigned date, the Resident shall be obligated to pay the applicable monthly fee from the assigned occupancy date to the actual date of occupancy. The Residence shall be occupied solely by the Resident(s) herein. There shall be no occupancy by non-residents. No guest, other than a family member, should occupy a residence for longer than one (1) week without prior approval of the executive director or his or her designee. Responsibility for the conduct and other actions by the Resident's guest(s) is the responsibility of the Resident.

**4.3 Policies and Procedures.** Resident will abide by the Summit Square policies and procedures and such reasonable amendments, modifications and changes of these policies and procedures as may hereafter be adopted by Summit Square. Any policies and procedures adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.4 Survivor.** If this Agreement is executed by Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall transfer to, the surviving Resident to the same extent as if such surviving Resident had been the sole and only Resident under the terms of

this Agreement, provided that the survivor can demonstrate his or her ability to continue to meet the financial terms of this agreement. In the event the survivor is unable or unwilling to do so, he or she will be subject to termination of this agreement.

**4.5 Relocation or Death of Resident(s).** This Agreement does not create any interest in the real estate owned by Summit Square, and this occupancy privilege shall not inure to the use or benefit of the heirs, assignees, or representatives of residents and, upon the relocation or death of the last surviving of the Residents, all rights of occupancy under this Agreement shall terminate.

**4.6 Resident's Inability to Pay.** The resident(s) shall be required to provide a complete update to their financial statements prior to moving to another level of care within Summit Square. A move to a higher level of care could be denied if the Resident would not pass financial qualification and their inability to do so was a result of abnormal gifting or other diversion of assets subsequent to the Resident's original financial statement and qualification. If the Resident or surviving Resident is unable to meet his or her financial obligations to Summit Square, the Resident agrees to liquidate personal assets in order to meet their obligations hereunder. The Resident will also furnish to Summit Square sufficient financial information that will justify that the Resident is unable to pay the total Monthly Fee and other charges. Once the Resident satisfactorily establishes facts to justify the need for such financial assistance, Summit Square may, if it can do so without impairing the ability of Summit Square to operate on a sound financial basis, subsidize the Resident's Monthly Fee. In the event financial assistance is granted, the Resident shall be liable to Summit Square for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate. In the case of Summit Square subsidizing the Resident's Monthly fee, Summit Square reserves the right to require the Resident to transfer to a smaller Residence when available, in order to reduce the Monthly Fee. Failure of the Resident to pay the Monthly Fee or to qualify for financial assistance may result in the Resident's loss of occupancy of the Residence as outlined in this agreement.

**4.7 Financial Statements.** To ensure Summit Square's ongoing ability to plan for future needs of residents who outlive their resources, it is important to anticipate, as much as practicable, what those obligations will be. Therefore, Resident agrees to provide an updated and complete financial statement, along with associated documentation, as requested every three (3) years.

**4.8 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Residence (a) at all reasonable times for inspection and to perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.9 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to the Summit Square Assisted Living Center or the Health Care Center, or upon termination of this Agreement, all of the Resident's property shall be removed from the previously occupied Residence within 30 days by an individual designated by the Resident or the Resident's Attorney-in-Fact. **Summit Square shall impose the applicable Monthly Fee until said Resident's property is removed and the Residence is released to Summit Square.** Summit Square shall be entitled to reduce the unamortized Entry Fee refund, if any, by 2% per month until the property is removed. Summit Square may opt to move, store, or dispose of the items subject to a fee. Summit Square will not be responsible for loss of damage to the Resident's belongings.

**4.10 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, the Resident shall insure his/her property against casualty and theft loss, should he/she desire such insurance protection. Summit Square shall not be responsible for damage to or loss of any of the Resident's property by casualty, theft, or other cause.

**4.11 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Effective March 1, 2018, Summit Square became a tobacco-free community and adopted a tobacco-free policy that applies to all residents, employees, volunteers, vendors and contractors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies

to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Summit Square campus), as well as adjacent property. Residents not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## **5. TRANSFER AND SURRENDER OF RIGHT OF OCCUPANCY**

**5.1 Physical and Mental Health Requirements of Resident.** As a condition of occupancy at Summit Square, the Resident shall be physically and mentally capable of performing routine activities of daily living and able to respond appropriately to emergency situations. If Summit Square determines in its sole discretion that the Resident is unable to comply with these requirements or the Resident's physical or mental illness causes the Resident's continued presence at Summit Square to be detrimental to the health or safety of his/herself or others, Summit Square reserves the right to transfer the Resident to an appropriate level of care within Summit Square or transfer the Resident to an appropriate institution or facility. While at such an institution or facility the Resident shall continue to pay the monthly fee. In the event of a transfer the provision of Section 5.2 shall apply.

**5.2 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or safety of his/herself, other residents or staff, or when Summit Square determines such action to be in the best interests of the Resident, Summit Square shall have authority, in consultation with the Resident's Responsible Party, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this Agreement. In the event that the condition requiring transfer of the Resident is not temporary in nature, the Residence shall be released.

**5.3 Exchange Between Residences.** Residents may transfer to or exchange residences with the prior approval of the Executive Director. Requests will be considered based on the Policies and Procedures of Summit Square.

**5.4 Permanent Surrender of Right of Occupancy.** The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residence and to move to a level of care that would best meet his/her needs (such determination to be made by the Summit Square Resident Review Committee):

- (a) Limited mobility
- (b) Limited vision
- (c) Failing general health that precludes Resident from Independent Living due to his/her inability to cook, clean, bathe, and secure groceries and supplies
- (d) Loss of mental faculties to a degree where living independently poses a hazard to his/her health or to the health of the community.

This process may be initiated by:

- (a) Recommendation of Resident Review Committee
- (b) Recommendation of family physician
- (c) In consultation with family members
- (d) By the Executive Director and Resident Review Committee
- (e) At the request and desire of the Resident

If a Resident needs to move to a higher level of care or out of Summit Square, the Executive Director and Resident Review Committee in consultation with the responsible party will collaborate to reach a decision in the best interests of the Resident. The final decision will be Summit Square's.

**5.5 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the Resident without good cause. Good cause shall be limited to: proof that the Resident is a danger to him/herself or others; nonpayment of the Monthly Fee; repeated conduct by the Resident that interferes with other resident's quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written rules and regulations; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials, regarding information, which, if accurately provided, would have resulted in either a failure of the Resident to qualify in his/her application for

Residency or a material increase in the cost of providing to the Resident the cost of care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident.

**5.6 Opportunity to Cure.** Where applicable within a 30-day period, an opportunity will be given to cure whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.7 Voluntary Cancellation by Resident.** The Resident shall give a sixty (60) day written notice prior to voluntary cancellation of this Agreement. If the Resident fails to give proper notice, he/she agrees that Summit Square shall be entitled to reduce the Resident's unamortized Entrance Fee by 2% per month for the sixty (60) day period.

## **6. Co-Occupancy**

**6.1 Marriage and/or Co-Occupancy with a Non-Resident.** When a Resident marries and brings his/her spouse to Summit Square, there will be a second person Entrance Fee for the Resident's spouse. The second person Entrance Fee will be based on the spouse's occupancy agreement type. There will also be a second person Monthly Fee for the Resident's spouse based upon his or her occupancy agreement type. Summit Square will honor its Agreement with the original Resident. At the termination of that Agreement, the surviving spouse may negotiate his/her own Agreement. The spouse/co-occupant must meet Summit Square's entrance requirements. If the spouse/co-occupant cannot meet the admissions criteria, Summit Square will deny continued Residency. In such event, the right of the surviving spouse to occupy said Residence shall cease and terminate, and the Residence shall be deemed fully surrendered to Summit Square.

**6.2 Marriage and/or Co-Occupancy with a Current Resident.** In the event that the Co-occupant is already a resident of Summit Square, this Agreement and the Co-Occupant's Agreement shall be cancelled, and the Resident and Co-occupant will enter into a new Agreement with Summit Square. If the Resident remains in the current Residence and the Co-occupant moves into the Resident's

Residence, the only additional Entrance Fee payment required shall be for the current second person Entrance Fee if applicable. If two entrance fees have been paid, no additional entrance fee may be required; if only one entrance fee has been paid, an additional entrance fee will be required. There will also be a second person Monthly Fee for the Resident's Co-Occupant based upon his or her occupancy agreement type. This charge will be at the current rate charged to other residents. In this case, a refund of any portion of the Entrance Fee paid under this Agreement shall be governed by the terms and conditions of the new Agreement.

**6.2.3 Relocation of Current Residents.** If the Resident and Co-occupant are both current residents and move from their current Residences into a new shared Residence, the Resident and Co-occupant shall receive credit for the amount of Entrance Fees paid by them with respect to their separate Agreements, less any amounts charged or chargeable against the Entrance Fees paid, and shall pay Summit Square the difference, if any, between the sum of the Entrance Fee paid with respect to their Agreements and the Entrance Fee and Second Person Entrance Fee charged for the new Residence at the time the Resident and the Co-Occupant enter into the new Agreement. If the Entrance Fee for the new Residence is lower than the sum of the Entrance Fees due and owing to the Residents, Summit Square shall not refund the excess to the Resident or Co-occupant at the time they enter into the new Agreement.

**6.3 Separation of Residents.** In the event two current Residents decide to occupy separate residences, the following options are available:

**6.3.1** If both choose to remain as Residents and therefore need separate Residences, the Resident moving to a new Residence will be obligated to pay the then current Entrance Fee and single person's Monthly Fee for the selected Residence. Summit Square shall not refund any portion of the Entrance Fee paid under this agreement upon relocation.

**6.3.2** If one Resident desires to move out of Summit Square, the other Resident may remain in the current Residence or move to a new

Residence, subject to the terms and conditions of this Agreement. If the remaining Resident stays in the current Residence, the Resident shall pay the single person Monthly Fee for the current Residence. If the Resident moves to a new Residence, in addition to paying the single person's Monthly Fee for the new Residence, he or she will pay the difference between the current Entrance Fee for the new Residence and the Entrance Fee paid under this Agreement. Summit Square shall not refund, at that time, any portion of the Entrance Fee paid under this Agreement.

## 7. ENTRANCE FEE REFUND

**7.1 Refund of Entrance Fee.** In the event of death or withdrawal of the Resident from Summit Square and release of the Residence, a partial refund of the Entrance Fee may be available. All refunds of any portion of the Entrance Fee are expressly conditioned upon Summit Square's acceptance for admission of a new resident, the new resident's payment of the Entrance Fee, and the new resident's occupancy of the Residence. Any Entrance Fee refund that may be due to the Resident or the Resident's estate shall first be applied to satisfy, in part or in whole, any outstanding Monthly Fee or other charge(s) owed by the Resident to Summit Square and/or the interest and principal outstanding on any Fellowship Assistance granted to you by Summit Square, and the balance thereof shall be paid to the Resident or the Resident's estate. In no event shall the Resident or the Resident's estate receive a refund of the Monthly Fee paid to Summit Square. Any outstanding Entrance Fee will be paid after the successful remarketing of the residence or within six (6) months, whichever occurs first. The refund available depends on the Agreement type. The following formulas apply:

**7.1.1 For Type I and Type II Occupancy Agreements only.** If the withdrawal or death occurs during the first 50 months following the date of occupancy, or assigned occupancy date, whichever occurs first, a refund of the Entrance Fee will be made, reduced by 2% per month from the date herein referred to, until the Residence is released to

Summit Square. There will be no refund made under this policy after 50 months.

**7.1.2 For Type III Occupancy Agreements only.** If withdrawal or death occurs, the refund will be 50% of the Entrance Fee. In the event the Resident becomes unable to pay the applicable monthly or daily service fee(s) in any level of housing or care, the Resident shall be liable to Summit Square for the full amount, which will be charged against the Resident's Entrance Fee refund as well as payable from the Resident's estate.

**7.1.3** If the Resident dies before occupying the Residence, or is precluded through illness, injury, or incapacity from becoming a Resident under the terms of the Occupancy Agreement, the Agreement is automatically rescinded, and the Resident or his /her legal representative shall receive a full refund of all money paid to Summit Square, except those costs specifically incurred by Summit Square at the request of the Resident.

## **8. MISCELLANEOUS**

**8.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**8.2 Representations.** The application and the statements of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 of this Agreement.

**8.3 Responsibility for Protection of the Resident's Property.** Summit Square shall not be responsible for the loss of any personal property belonging to the Resident due to theft, fire or any other cause. The Resident shall have the responsibility, at the Resident's own expense, of insuring the Resident's property against such risks under a tenant's or homeowner's insurance policy.

**8.4 Accident Caused by the Resident.** The Resident shall indemnify and hold Summit Square harmless from any claims, investigations, proceedings or lawsuits, including all damages, costs, expenses, reasonable attorney's fee and court costs, resulting from, attributable to or in any way connected with the negligent or intentional act or omissions of the Resident. The Resident shall obtain liability insurance to cover such situations.

**8.5 Responsibility for Damages.** Any harm or damages to the real or personal property of Summit Square caused in whole or in part by the Resident shall be charged to and paid for by the Resident. Summit Square assumes by this Agreement no responsibility for any harm or damage done to the person or property of the Resident by another resident or by any other person or entity. To the extent permitted by law, the Resident also hereby releases and discharges Summit Square from any and all Claims for personal injury or property damage suffered by the Resident which are alleged to or actually arise from or relate to, in whole or in part, Summit Square's assistance to, supervision or care of other residents.

**8.6 Renovations and Additions to the Campus.** From time to time, Summit Square may decide to renovate, demolish and add to its facilities. Resident agrees that he or she anticipates such activities, and they shall not constitute a nuisance or give rise to any cause of action on account of noise, dust, vibration, or any other inconvenience. Resident also agrees these activities by Summit Square shall not constitute a breach by Summit Square of this Agreement or any other obligation owed to the Resident. Resident further agrees not to maintain any action against Summit Square to enjoin it from renovating, demolishing or adding to its facilities.

**8.7 Non-Discrimination.** Neither marital status, race, sex, national origin, disability nor faith has any bearing upon the offer, acceptance or termination of residence at Summit Square.

**8.8 Whole and Binding Agreement.** The Resident has received this Agreement and has had the opportunity to have it reviewed by his or her attorney or financial advisor. The parties agree that this Agreement and the Disclosure Statement contain the entire agreement. This Agreement is binding on the Resident and Summit Square and all parties who lawfully succeed to their rights or take their places.

**THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT**, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on \_\_\_\_\_

## **SIGNATURES**

Print Name

---

SUNNYSIDE PRESBYTERIAN HOME

By: \_\_\_\_\_

“Summit Square”

Print Name

---

By: \_\_\_\_\_

“Resident”

---

By: \_\_\_\_\_

“Resident”

## ACKNOWLEDGMENTS:

I hereby acknowledge I/we have received the following:

Initials:

- \_\_\_\_  A copy of Summit Square's Continuing Care Provider Disclosure Statement
- \_\_\_\_  A complete copy of this Occupancy Agreement
- \_\_\_\_  A copy of this Resident's Handbook

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

\_\_\_\_\_

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

- Type I Occupancy Agreement**
- Type II Occupancy Agreement**
- Type III Occupancy Agreement**

# SUMMIT SQUARE

## CATERED LIVING OCCUPANCY AGREEMENT

Initials

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- Type I – Fee for Service**
- Type II – 90 Days Care**
- Type III – 50% Refund**
- Rental**



**SUMMIT SQUARE  
CATERED LIVING  
OCCUPANCY AGREEMENT**

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# **SUMMIT SQUIRE CATERED LIVING OCCUPANCY AGREEMENT**

## **INTRODUCTION**

THIS AGREEMENT is made on \_\_\_\_\_ by and between  
SUNNYSIDE PRESBYTERIAN HOME of Rockingham County,  
Virginia, hereinafter doing business as Summit Square, and  
\_\_\_\_\_ ("Resident").

Sunnyside Presbyterian Home is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

## **AGREEMENTS**

### **1. LIVING ACCOMMODATIONS AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable right to occupy the Residence known as \_\_\_\_\_ (the "Residence"), and subject to removal only as hereinafter provided.

**1.2 Furnishings.** Summit Square shall provide an all-electric kitchenette in the Residence. Electrical and mechanical appliances provided by Resident shall be subject to approval by Summit Square. Summit Square shall provide in the Living Unit a bed, nightstand, chest of drawers, and chair, unless the Resident elects to use his/her own furnishings. Resident may provide other furnishings.

**1.3 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Summit Square.

**1.4 Physical Changes in the Residence.** Any material physical change (i.e. changes to structure, fixtures, floor coverings, etc.) of any kind to the Residence may be made only upon the written approval of Summit Square. Any approved change(s) will be at the Resident's own cost unless otherwise agreed to in writing

Initials \_\_\_\_\_

by Summit Square. The approval of any change requested by the Resident will be conditioned upon the agreement of the Resident to bear the expense of restoring the Residence to its original condition, unless otherwise approved in writing by Summit Square. All change/modification costs are payable by the Resident on the latter date of occupancy or the completion date of the medication/change.

## **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, basic cable TV, and in-house telephone service) in connection with the occupancy of the Residence, subject, however, to the availability of such services to Summit Square. Local and long-distance telephone service will be provided by Summit Square at an additional charge.

**2.1.2 Meals.** Summit Square shall furnish the Resident with three meals per day. Meals shall be nutritionally well balanced and served in a dining area designated by Summit Square. Resident may opt for meals in their Residence if medical conditions warrant.

**2.1.3 Housekeeping.** Weekly housekeeping services shall be provided by Summit Square. However, the Resident shall maintain the Residence in a clean, sanitary, and orderly condition.

**2.1.4 Laundry.** Summit Square shall provide laundry service for all bed linen, towels, and personal laundry.

**2.1.5 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square.

**2.1.6 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.7 Mail.** Individual mailboxes shall be provided in a central location.

**2.1.8 Programs.** Programs of social, recreational, wellness and religious activities shall be provided for interested residents.

**2.1.9 Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation for medical appointments shall be provided in accordance with policies and procedures at Summit Square. In appropriate circumstances, transportation via ambulance or other related services may be necessary. The Resident is responsible for payment of such transportation and any other associated charges.

**2.1.10 Resident Council.** Interested residents may establish and maintain a resident council. Summit Square will be responsible for providing assistance with the formation and maintenance of the council, whether or not such a council exists in the facility. The general purpose of the council is to promote a free exchange of ideas, to work with the administration in improving the quality of life for all residents, to discuss the services offered by the facility and make recommendations for resolution of identified problems or concerns and to perform other functions as determined by the council.

**2.1.11 Nursing Services.** Summit Square shall provide assistance with the activities of daily living, such as bathing, dressing, and taking of prescribed medication. This assistance will be provided by Summit Square's nursing staff. Nursing personnel are available, in case of emergency, on a 24-hour basis for Catered Living Residents.

**2.1.12 Care Changes.** A 14-day notice will be given in the event the scope of care as provided herein is to be changed unless a physician orders 24-hour nursing care or a prohibitive condition exists.

**2.1.13 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber shops; notary public services; and additional housekeeping and grounds maintenance.

### 3. HEALTH CARE

**3.1 Outpatient Services.** Summit Square may provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square may arrange for clinical staff to be available from time to time in the clinic. The Resident may, however, engage the services of alternative clinical professionals who may also use the facilities of the clinic subject to the policies and guidelines of Summit Square.

Summit Square may arrange for the services of a physical/occupational/speech therapist, and other health professionals, as appropriate. The Resident is responsible for payment of charges by these health professionals. The Resident is also responsible for charges incurred by the clinic.

**Commented [KB1]:** Have we ever done this? I don't think so and I don't think we would want to.

**3.2 Inpatient Services.** The Resident shall have priority over non-residents for admission to Summit Square Assisted Living (including Memory Care) or Health Care Center. The cost of care in these facilities shall be the responsibility of the Resident. Care will be provided as may be appropriate in an assisted living facility or nursing facility. Need for care beyond that which can be provided in these settings may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to Assisted Living Unit or Health Care Center shall terminate the rights and obligations of both parties to this Agreement, and a new Agreement will be signed and initiated for the Assisted Living Unit or Health Care Center, whichever is applicable.

**3.2.1 For Type I and Type III Occupancy Agreements only.** The cost of care in these facilities shall be the responsibility of the Resident.

**3.2.2 For Type II Occupancy Agreements only.** Should the Resident require care in Assisted Living and/or the Health Care Center, ninety (90) days of such care shall be provided by Summit Square. Such days are cumulative over the Resident's lifetime and are non-transferable, non-renewable, and non-refundable. During those ninety (90) days, the Resident will continue to be responsible for his/her regular Monthly Fee, and ancillary medical supplies. If care is required beyond the ninety (90) day period, the Resident shall be responsible for payment of the full per diem rate currently applicable to the level of care that he/she is receiving.

**Commented [KB2]:** CL already gets 3 meals a day so no difference

**3.3 Emergency Situations.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, and the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make the necessary decision, Resident hereby appoints the executive director of Summit Square or a person so designated to act in the stead of said executive director to request immediate transportation to the local hospital for care. It is distinctly agreed that neither Summit Square nor the executive director and/or designee shall be liable to the Resident nor to any other person in any manner whatsoever because of such actions.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance:

- (a) Charges of any physician, physical/occupational/speech therapist, podiatrist, or other health professional, whether provided by Summit Square or elsewhere;
- (b) Charges for medications, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

### **3.5 Medical Insurance**

**3.5.1** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap Supplemental Insurance. Summit Square and this Agreement do not act as a substitute for Medigap or other supplemental insurance.

**3.5.2** Summit Square may, at option and without obligation, obtain policies of insurance covering its services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Daily Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

**3.5.3 Mental Illness or Contagious Disease.** If Summit Square determines that the Resident's mental or physical illness causes continued presence at the community to be dangerous or detrimental to the health or peace of the Resident or other Residents, Summit Square may transfer the Resident to an institution selected by Summit Square (or by the Resident or the Resident's Responsible Party if they have a preference, provided such transfer is appropriate and can be accomplished within a reasonable timeframe) at the Resident's expense. While at such an institution, the Resident shall continue to pay the Daily Fee.

**Commented [KB3]:** This isn't a sentence so it should be bolded like 4.1, etc.

#### 4. OCCUPANCY AND FEES

**4.1 Entrance Fee.** Resident agrees to pay to Summit Square an Entrance Fee in the amount of \$\_\_\_\_\_ in payment for the rights described herein. Said amount, less any advance deposits, is payable on date of occupancy or assigned date of occupancy, whichever comes first. As it relates to the entrance fee previously paid, all terms from the original contract survive and remain in effect.

**4.2 Monthly Fee.** Resident shall pay to Summit Square a Monthly Fee (based on their original Occupancy Agreement Type and subject to annual increases), currently \$\_\_\_\_\_ and an additional \$\_\_\_\_\_ per month for catered living services described herein.

Summit Square shall endeavor to maintain its schedule of fees at the lowest possible rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident.

**4.3 Occupancy.** The Resident agrees to occupy the Residence assigned on or before \_\_\_\_\_. In the event the Resident does not occupy the Residence on the assigned date, the Resident shall be obligated to pay the applicable monthly fee, from the assigned occupancy date to the actual date of occupancy. The Residence shall be occupied solely by the Resident(s) herein. There shall be no occupancy by non-residents. No guest, other than a family member, should occupy a Residence for longer than one (1) week without prior approval of the Executive Director. Responsibility for the conduct and other actions by the Resident's guest(s) is the responsibility of the Resident. All references to occupancy in this agreement, unless otherwise indicated, relates to The Resident's original occupancy date in their original contract.

**4.4 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents.

**4.5 Survivor.** If this Agreement is executed by two Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall devolve upon, the surviving Resident to the same extent as if such surviving Resident had been sole and only Resident under the terms of this Agreement.

**4.6 Resident's Inability to Pay.** The Resident(s) shall be required to financially qualify before moving to another level of care within Summit Square. If the Resident or surviving Resident is unable to meet his or her financial obligations to Summit Square, the Resident agrees to liquidate personal assets in order to meet their obligations hereunder. The Resident will also furnish to Summit Square sufficient financial information that will justify that the Resident is unable to pay the total Monthly Fee and other charges. Once the Resident satisfactorily establishes facts to justify the need for such financial assistance, Summit Square may, if it can do so without impairing the ability of Summit Square to operate on a sound financial basis, subsidize the Resident's Monthly Fee. In the event financial assistance is granted, the Resident shall be liable to Summit Square for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate. In the case of Summit Square subsidizing the Resident's Monthly fee, Summit Square reserves the right to require the Resident to transfer to a smaller Residence when available, in order to reduce the Monthly Fee. Failure of the Resident to pay the Monthly Fee or to qualify for financial assistance may result in the Resident's loss of occupancy of the Residence as outlined in this agreement.

**4.7 Financial Statements.** To ensure Summit Square's ongoing ability to plan for future needs of Residents who outlive their resources, it is important to anticipate, as much as practicable, what those obligations will be. Therefore, Residents of Catered Living or responsible party agrees to provide an updated and complete financial statement, along with associated documentation, as requested every three (3) years.

**4.8 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Living Unit (a) at all reasonable times for inspection and to perform housekeeping and maintenance and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.9 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to the Summit Square Assisted Living Center, or the Health Center, or upon termination of this Agreement, all of the Resident's property shall be removed from the previously occupied Residence within 30 days by an individual designated by the Resident or the Resident's Responsible Party. **Summit Square shall impose the applicable Monthly Fee until said Resident's property is removed and the Residence is released to Summit Square.** Summit Square shall be entitled to reduce the unamortized Entrance Fee Refund, if any, by 2% per month until the property is removed. Summit Square may opt to move, store or dispose of the items subject to a fee. Summit Square will not be responsible for loss or damage to the Resident's belongings.

**4.10 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, it is recommended the Resident insure his/her property against casualty and theft loss.

**4.11 Rules and Regulations.** Resident will abide by the Summit Square rules and regulations and such reasonable amendments, modifications and changes of these rules and regulations as may hereafter be adopted by Summit Square. Any rules and regulations adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.12 Relocation or Death of Resident(s).** This Agreement does not create any interest in the real estate owned by Summit Square, and this occupancy privilege shall not inure to the use or benefit of the heirs, assignees, or representatives of residents, and, upon the relocation or death.

**4.13 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Summit Square is a tobacco-free community and has a tobacco-free policy that applies to all residents, employees, volunteers, vendors and contractors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Summit Square campus), as well as adjacent property. Residents

not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## **5. SURRENDER OF RIGHT OF OCCUPANCY**

**5.1 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or peace of the other residents, or when Summit Square determines such action to be in the best interests of the Resident, Summit Square shall have authority, in consultation with the Resident's Attorney-in-Fact, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this contract. In the event of a determination by a Summit Square Medical Director that the condition requiring transfer of the Resident is not temporary in nature, the Residence shall be released.

**5.2 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of past due charges; repeated conduct by the Resident that interferes with other residents quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written policies and guidelines; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident.

**5.3 Opportunity to Cure.** Where applicable, an opportunity will be given to cure, within a 30-day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.4 Voluntary Cancellation by Resident.** Resident shall give a thirty (30) day written notice prior to voluntary cancellation of this agreement. If Resident fails to give the proper notice, he/she agrees that Summit Square shall charge its normal fees for the 30-day period.

## 6. ENTRANCE FEE REFUND

**6.1 Refund of Entrance Fee.** In the event of death or withdrawal of the Resident from Summit Square and release of the Residence, a partial refund of the Entrance Fee may be available. Any refund of the Entrance Fee that may be due to the Resident or the Resident's estate shall first be applied to satisfy, in part or in whole, any outstanding Monthly Fee or other charge(s) owed by the Resident to Summit Square and/or the interest and principal outstanding on any Fellowship Assistance granted to the Resident by Summit Square, and the balance thereof shall be paid to the Resident or the Resident's estate. In no event shall the Resident or the Resident's estate receive a refund of the Monthly Fee paid to Summit Square. Any outstanding Entrance Fee will be paid after the successful remarketing of the residence or within six (6) months, whichever occurs first. The refund available depends on your Agreement type. The following formulas apply:

**6.1.1 For All Contract Types.** Refund terms related to the original contract (if applicable) remain in effect. If any additional Entrance Fee is required and is paid to this contract, the following provisions apply.

**6.1.2 For Type I and Type II Occupancy Agreements only,** if the withdrawal or death occurs during the first 50 months following the date of occupancy, change of occupancy or assigned change of occupancy date, whichever occurs first, a refund of the Entrance Fee will be made, reduced by 2% per month from the date herein referred to, until the Residence is vacated and released to Summit Square. There will be no refund made under this policy after 50 months. No refunds are available for permanent transfer to a different level of care under Type I and Type II Occupancy Agreements.

**6.1.3 For Type III Occupancy Agreements only,** when withdrawal or death occurs, the refund will be 50% of the Entrance Fee. In the event the Resident becomes unable to pay the applicable monthly or daily service fee(s) in any level of housing or care, the Resident shall be liable to Summit Square for the full amount, which will be charged against the Resident's Entrance Fee refund as well as payable from the Resident's estate.

**6.1.4 Unit Not Occupied** If Resident dies before occupying the Residence, or is precluded through illness, injury, or incapacity from becoming a resident under the terms of the Occupancy Agreement, the

Agreement is automatically rescinded, and the Resident or his/her legal representative shall receive a full refund of all money paid to Summit Square, or any additional money if a change of occupancy was made; except those costs specifically incurred by Summit Square at the request of the Resident, and set forth in writing in separate addendum, signed by both parties of the Agreement.

## 7. MISCELLANEOUS

**7.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**7.2 Representations.** The application and the statements of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 of this Agreement.

By affixing his or her signature to this Agreement, Resident certifies that he/she has passed his/her 62<sup>nd</sup> birthday or, in the case of a married couple, that one partner has done so; that he or she has been given a copy of and has had the opportunity to read the Summit Square *Resident's Handbook*; and that he/she has been informed of the following:

- (a) Based on your Uniform Assessment Information (UAI), Summit Square is licensed to provide the services required.
- (b) Summit Square is licensed to operate an Assisted Living Facility by the Department of Social Services. The regional office address is:

Commonwealth of Virginia  
Department of Social Services  
Division of Licensing  
1550 Commerce Road Suite 103  
Staunton, VA 24401  
276-206-0492

(c) Summit Square is licensed to operate a Nursing Care Facility (Health Care Center) by the Virginia State Department of Health, which is located at 109 Governor Street, Richmond, Virginia 23219.

**7.3 Responsibility for Protection of the Resident's Property.** Summit Square shall not be responsible for the loss of any personal property belonging to the Resident due to theft, fire or any other cause. The Resident shall have the responsibility, at the Resident's own expense, of insuring the Resident's property against such risks under a tenant's or homeowner's insurance

**7.4 Accident Caused by the Resident.** The Resident shall indemnify and hold Provider harmless from any claims, investigations, proceedings or lawsuits, including all damages, costs, expenses, reasonable attorney's fee and court costs, resulting from, attributable to or in any way connected with the negligent or intentional act or omissions of the Resident. The Resident shall obtain liability insurance to cover such situations.

**7.5 Responsibility for Damages.** Any harm or damages to the real or personal property of Summit Square caused in whole or in part by the Resident shall be charged to and paid for by the Resident. Summit Square assumes by this Agreement no responsibility for any harm or damage done to the person or property of the Resident by another resident or by any other person or entity. To the extent permitted by law, the Resident also hereby releases and discharges Summit Square from any and all Claims for personal injury or property damage suffered by the Resident which are alleged to or actually arise from or relate to, in whole or in part, Summit Square's assistance to, supervision or care of other residents.

**7.6 Renovations and Additions to the Campus.** From time to time, Summit Square may decide to renovate, demolish and add to its facilities. Resident agrees that he or she anticipates such activities, and they shall not constitute a nuisance or give rise to any cause of action on account of noise, dust, vibration, or any other inconvenience. Resident also agrees these activities by Summit Square shall not constitute a breach by Summit Square of this Agreement or any other obligation owed to the Resident. Resident further agrees not to maintain any action against Summit Square to enjoin it from renovating, demolishing or adding to its facilities.

**7.7 Non-Discrimination.** Neither marital status, race, sex, national origin, disability nor faith has any bearing upon the offer, acceptance or termination of residence at Summit Square.

**7.8 Whole and Binding Agreement.** The Resident has received this Agreement and has had the opportunity to have it reviewed by his or her attorney or financial advisor. The parties agree that this Agreement and the Disclosure Statement contain the entire agreement. This Agreement is binding on the Resident and Summit Square, their successors and assigns.

**THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT,** without penalty or forfeiture, within seven (7) days after making and initial entrance fee deposit (if applicable) after executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) days.

**Assisted Living Facility Liability Insurance Disclosure Notification Form**

**Required by the Virginia Department of Social Services**  
*(As specified in 22 VAC 40-742-390 A 6)*

**Facility must indicate Yes or No below:**

This facility maintains liability insurance that provided at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from the negligent acts of the facility.

Yes

No

Resident Signature: \_\_\_\_\_

**Commented [KB4]:** What is this Resident signature for? This yes/no question relates to us "the facility"

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

Summit Square and the Resident agree to the terms and conditions set forth in this

Agreement dated \_\_\_\_\_

Initials \_\_\_\_\_

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## **SIGNATURES**

Print Name **SUNNYSIDE PRESBYTERIAN HOME**

---

By: \_\_\_\_\_  
"Summit Square"

Print Name

\_\_\_\_\_  
By: \_\_\_\_\_  
"Resident"

By: \_\_\_\_\_  
"Resident"

By: \_\_\_\_\_  
"Attorney-in-Fact", if applicable

## ACKNOWLEDGMENTS:

I hereby acknowledge I/we have received the following:

Initials:

- A complete copy of this Occupancy Agreement
- A copy of this Resident's Handbook
- A copy of the Admissions Acknowledgement for Assisted Living (Attached)
- A copy of the Schedule of Ancillary Fees
- A copy of the Assisted Living Liability Insurance Disclosure Notification Form (Attached)

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

Initials \_\_\_\_\_

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# SUMMIT SQUARE

## HEALTHCARE OCCUPANCY AGREEMENT



*Summit Square*

WHERE LIFE IS BETTER

**SUMMIT SQUARE  
HEALTHCARE OCCUPANCY AGREEMENT**

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# **SUMMIT SQUARE**

## **HEALTHCARE OCCUPANCY AGREEMENT**

### **INTRODUCTION**

THIS AGREEMENT is made on \_\_\_\_\_, by and between SUNNYSIDE PRESBYTERIAN HOME of Rockingham County, Virginia, hereinafter Summit Square, and \_\_\_\_\_ (“Resident”).

Sunnyside Presbyterian Home is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

### **AGREEMENTS**

#### **1. LIVING ACCOMMODATIONS AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable right to occupy Room number \_\_\_\_\_ (the “Living Unit”) located in the Healthcare Center, subject to removal only as hereinafter provided.

**1.2 Furnishings.** Summit Square shall provide in the Living Unit a bed, nightstand, dresser, over-the-bed table, and chair (if requested). Resident may provide other furnishings.

**1.3 Summit Square Facilities.** Resident shall have the right to use, in common with other Summit Square residents, the congregate and communal facilities provided by Summit Square.

#### **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, cable TV, and in-house telephone service) in connection with the occupancy of the Living Unit, subject, however, to the availability of such services to Summit Square. Local and long-distance telephone service will be provided by Summit Square at an additional charge.

**2.1.2 Meals.** Summit Square shall furnish the Resident with three meals per day. Meals shall be nutritionally well balanced and served in Lady Staunton dining room or other areas designated by Summit Square.

**2.1.3 Housekeeping.** Weekly housekeeping services shall be provided by Summit Square. However, the Resident and/or Resident's designated representative shall maintain the Living Unit in an orderly condition via the guidance of the Director of Nursing and/or the Executive Director.

**2.1.4 Laundry.** Summit Square shall provide laundry service for all bed linen, towels, and personal laundry.

**2.1.5 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square.

**2.1.6 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.7 Mail.** Personal mail shall be delivered to Resident's room.

**2.1.8 Programs.** Programs of social, recreational, wellness and religious activities shall be provided for interested residents.

**2.1.9 Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation for medical appointments shall be provided in accordance with policies and procedures at Summit Square. In appropriate circumstances, transportation via ambulance or other related services may be necessary. The Resident is responsible for payment of such transportation and any other associated charges.

**2.1.10 Nursing Services.** Summit Square shall provide 24-hour nursing services, including administration of medications, assistance with activities of daily living (bathing, dressing, etc.) and restorative nursing programs provided by Summit Square and prescribed by the Resident's physician.

**2.1.11 Care Changes.** A 14-day notice will be given in the event the scope of care as provided herein is to be changed unless a physician orders 24-hour nursing care or a prohibitive condition exists.

**2.1.12 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber shops; notary public services; and additional housekeeping and grounds maintenance.

### **3. HEALTHCARE AND ANCILLARY SERVICES**

**3.1 Outpatient Services.** The Resident may engage the services of a Physician who may also use the clinic subject to rules and regulations of Summit Square. Summit Square provides a medical director who is responsible for the overall care policies in the Health Care Center.

Summit Square will arrange for the services of a physical therapist, a dentist, and other health professionals, as it deems necessary. The Resident is responsible for payment of charges by these health professionals.

**3.2 Inpatient Services.** Care shall be provided as may be appropriate in a nursing facility. Need for care beyond that which can be provided in this setting may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility).

**3.3 Attorney-in-Fact.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, that in the event the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make the necessary decision, Resident hereby appoints the Executive Director of Summit Square or a person so

designated to act in the stead of said Executive Director as his/her agent and attorney-in-fact, to contract for him/her in his/her name for such hospitalization, medical treatment, or to have such necessary surgical operation performed, provided a competent physician advises and recommends such medical treatment or surgery as apparently necessary. It is distinctly agreed that neither Summit Square nor the Executive Director and/or designee shall be liable to Resident nor to any other person in any manner whatsoever because of such surgery or the result thereof.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance:

- (a) Charges of any physician, physical therapist, occupational therapist, podiatrist, or other health professional.
- (b) Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

### **3.5 Medical Insurance**

**3.5.1** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap Supplemental Insurance. The Provider and this Agreement do not act as a substitute for Medigap Insurance.

**3.5.2** The Provider may, at option and without obligation, obtain policies of insurance covering its services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Daily Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

**3.5.3** Mental Illness, Contagious Disease. If the Provider determines that the Resident's mental or physical illness causes continued presence at the community to be dangerous or detrimental to the health or peace of the Resident or other Residents, the Provider may transfer the Resident to an institution selected by the Provider (or by the Resident or the Resident's Responsible Party if they have a preference, provided such transfer is appropriate and can be accomplished within a reasonable timeframe) at the Resident's expense. While at such an institution, the Resident shall continue to pay the Daily Fee.

## 4. OCCUPANCY AND FEES

**4.1 Daily Fee.** Resident, or Resident's designated representative, shall pay to Summit Square a daily fee for a private/semiprivate room, currently \$ \_\_\_\_\_ payable monthly in advance for the services described in Sections 1 and 2 of this Agreement. Summit Square shall endeavor to maintain its schedule of fees at the lowest possible rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 60-day written notice to the Resident or his/her Power of Attorney. In the event of transfer of ownership, closing of facility, or Resident transfer or discharge, any advance payments beyond the effective day of said event shall be refunded.

**4.2 Ancillary Charges.** The Resident or the Resident's designated representative, agrees to pay, in addition to the Daily Fee, all ancillary charges for services described in Section 3 of this Agreement.

**4.3 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents.

**4.4 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Living Unit (a) at all reasonable times for inspection and to perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.5 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, all of the Resident's property shall be removed from the previously occupied Living Unit within three (3) days. In the event that the Living Unit is needed for another resident in an emergency situation, Sunnyside reserves the right to move the Resident's property to a safe storage unit until the family is able to retrieve such property. If property is not removed within such three (3) day period, Sunnyside shall have the right to remove and store such property at the Resident's expense, or at the expense of his/her estate, for a period of six months; and, thereafter, if such property is not claimed, it shall be disposed of in accordance with the laws of the State of Virginia.

**4.6 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, it is recommended the Resident insure his/her property against casualty and theft loss.

**4.7 Rules and Regulations.** Resident will abide by the Summit Square rules and regulations and such reasonable amendments, modifications and changes

of these rules and regulations as may hereafter be adopted by Summit Square. Any rules and regulations adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.8 Resident's Inability to Pay.** It is the policy of the Provider not to terminate the residency of the Resident solely by reason of financial inability of the Resident to pay the Daily Fee, provided the Resident has not transferred assets in violation of this Agreement or applicable law. If the Resident is unable to meet the financial obligations to the Provider, the Resident agrees to liquidate personal assets in order to meet said obligations. The Resident will also furnish to the Provider sufficient financial information that will justify that the Resident is unable to pay the total Daily Fee and other charges. When the Resident establishes facts to justify the need for such financial assistance, the Provider may, if it can do so without impairing the ability of the community to operate on a sound financial basis, subsidize the Resident's Daily Fee. In the event financial assistance is granted, the Resident shall be liable to the Provider for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate.

## **5. SURRENDER OF RIGHT OF OCCUPANCY AGREEMENT**

**5.1 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or peace of the other residents, or when Summit Square determines such action to be in the best interests of the Resident, Summit Square shall have authority, in consultation with the Resident's Attorney-in-Fact, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this contract. In the event of a determination, the condition requiring transfer of the Resident is not temporary in nature, the Living Unit shall be released.

**5.2 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of the Daily Fee; repeated conduct by the Resident that interferes with other residents quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written rules and regulations; a material misrepresentation made

intentionally or recklessly by the Resident in his/her application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident.

**5.3 Opportunity to Cure.** Where applicable, an opportunity will be given to cure, within a 30-day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.4 Voluntary Cancellation by Resident.** Resident shall give a thirty (30) day written notice prior to voluntary cancellation of this agreement. If Resident fails to give the proper notice, he/she agrees that Summit Square shall charge its normal fees for the 30-day period.

## **6. LICENSURE**

Summit Square is licensed to operate a nursing facility (Healthcare Center) by the Commonwealth of Virginia, Virginia Department of Health, which is located at 3600 Centre Suite 216, 3600 West Broad Street, Richmond, Virginia 23230.

## **7. MISCELLANEOUS**

**7.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**7.2 Representations.** The application and the statement of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements herein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 in this Agreement.

**THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT**, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

Summit Square and the Resident agree to the terms and conditions set forth in this agreement dated \_\_\_\_\_

## **SIGNATURES**

Print Name

**SUNNYSIDE PRESBYTERIAN HOME**

\_\_\_\_\_

By: \_\_\_\_\_

“Summit Square”

Print Name

\_\_\_\_\_

By: \_\_\_\_\_

“Resident”

\_\_\_\_\_

By: \_\_\_\_\_

“Attorney-in-Fact”, if applicable

## **ACKNOWLEDGMENTS:**

I hereby acknowledge I/we have received the following:

Initials:

\_\_\_\_  A complete copy of this Occupancy Agreement

\_\_\_\_  A copy of this Resident's Handbook

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

\_\_\_\_\_

# Summit Square

## PATIO HOME OCCUPANCY AGREEMENT

Initials

- Type I – Fee for Service**
- Type II – 90 Days Care**
- Type III – 50% Refund**



*Summit Square*

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**Summit Square**  
**APARTMENT OCCUPANCY AGREEMENT**

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## I. Recitals

### Definitions

**“Agreement” or “Occupancy Agreement”** shall mean this document and any attachments, and the Application and medical history provided by the resident.

**“Assisted Living”** shall mean the assisted living services and facilities at Summit Square, which Summit Square shall be licensed by the state to provide.

**“Attorney-in-Fact”** shall mean that individual that the Resident identifies through proper identification as the Resident’s power of attorney and health care power of attorney.

**“Community”** shall mean the Sunnyside Presbyterian Home of Rockingham County, Virginia, hereafter Summit Square a Virginia not-for-profit corporation and the operator of Summit Square.

**“Continuing Care”** shall mean the provision of lodging and nursing, medical or other health related services at the same or another location to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of a fee with or without other periodic charges. An individual who is provided continuing care is one who is not related by consanguinity or affinity to the person who provides the care.

**“Co-occupant”** shall mean the relative, friend or friends residing with the Resident in the Residence.

**“Entrance Fee”** shall mean the sum of money transferred by the resident to Summit Square as full or partial consideration for acceptance of the resident into Summit Square and as described in Section 4.2 of this Agreement.

**“Executive Director”** shall mean the individual with overall responsibility for directing and planning the day-to-day administration of Summit Square.

**“Health Care Center”** shall mean the nursing care facility at Summit Square.

**“Monthly Fee”** shall mean the fee paid by the Resident to Summit Square on a monthly basis and described in this Agreement.

**“Permanent Resident”** shall mean a Resident for whom a determination has been made by the interdisciplinary medical team after consultation with the Resident or the Resident’s Responsible Party, the personal physician of the Resident and the Executive Director that such Resident needs permanent or prolonged full-time care in a nursing facility, assisted living facility or hospital (including mental hospital).

**“Residence”** shall mean the residential unit designated by the Resident in Section 1.1 – Living Accommodations of this Agreement, or any other unit to which the Resident transfers, including residences in the Health Care Center.

**“Resident”** shall mean the person or persons listed in the signature page of this agreement.

**“Resident Review Committee”** shall mean a multidisciplinary staff committee that reviews the health and safety of each resident to determine the appropriate level of care and/or service.

# Summit Square

## APARTMENT OCCUPANCY AGREEMENT

### INTRODUCTION

THIS TYPE \_\_\_\_\_ AGREEMENT is made \_\_\_\_\_, by and between SUNNYSIDE PRESBYTERIAN HOME of Rockingham County, Virginia, hereinafter doing business as Summit Square, and \_\_\_\_\_ (“Resident”).

SUNNYSIDE PRESBYTERIAN HOME is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

### AGREEMENTS

#### **1. LIVING ACCOMMODATIONS AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable life right to occupy the Residence known as \_\_\_\_\_ (the “Residence”), and subject to removal only as hereinafter provided.

**1.2 Entrance Fee.** The Resident agrees to pay to Summit Square an Entrance Fee in the amount \$ \_\_\_\_\_ in payment for the rights described herein. Said amount, and including all change/modification costs, less any advance deposits, is payable on date of occupancy or assigned date of occupancy, whichever comes first. The Entrance Fee charge shall not be increased or changed for the duration of this agreement.

**1.3 Monthly Fee.** Resident shall pay to Summit Square a Monthly Fee, currently \$ \_\_\_\_\_, **payable in advance** for the services described herein. Summit Square shall endeavor to maintain its schedule of fees at a reasonable rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident. The Resident shall

not be entitled to occupy the Residence or to receive any services whatsoever from Summit Square until the payment of the Monthly Fee and/or Entrance Fee described in these Sections has been received.

**1.4 Furnishings.** Summit Square shall provide an all-electric kitchenette in the Residence. Resident shall provide all other furnishings. Electrical and mechanical appliances provided by Resident shall be subject to approval by Summit Square.

**1.5 Physical Changes in the Residence.** Any material physical change (i.e., changes to structure, fixtures, floor coverings) of any kind to the Residence may be made only upon the written approval of Summit Square. Any approved change(s) will be at the Resident's own cost unless otherwise agreed to in writing by Summit Square. The approval of any change requested by the Resident will be conditioned upon the agreement by the Resident to bear the expense of restoring the Residence to its original condition, unless otherwise approved in writing by Summit Square. All change/modification costs are payable on the date of occupancy or assigned date of occupancy, whichever comes first.

**1.6 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Summit Square.

## **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, cable television, and in-house telephone service) in connection with the occupancy of the Residence, subject, however, to the availability of

such services to Summit Square. Summit Square will provide local and long-distance telephone service at an additional charge.

**2.1.2 Local Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation shall be provided in accordance with policies and procedures at Summit Square. Summit Square reserves the right to charge appropriate fees for such transportation. In appropriate circumstances, transportation via ambulance or other related services may be necessary. In these instances, the Resident is responsible for payment of such transportation and any other associated charges. Transportation for special and group trips may be available, and the cost of such trips shall be borne by the Resident.

**2.1.3 Housekeeping.** The Resident shall maintain the Residence in a clean, sanitary, and orderly condition. However Housekeeping services shall be provided by Summit Square at an additional charge to the Resident.

**2.1.4 Laundry.** Summit Square shall provide washers and dryers in Patio Homes for use by the Resident.

**2.1.5 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square. Any work performed by Summit Square at the Resident's request for repairs, maintenance, and replacement will be at the Resident's own expense. All contractors performing work must be approved by the Executive Director or his or her designee.

**2.1.6 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.7 Mail.** Individual mailboxes shall be provided in a central location.

**2.1.8 Events.** Events of a social, recreational, wellness and religious variety shall be provided for interested residents. Additional programs requested by the Resident may be provided subject to the considerations of costs, interest, and benefit to the overall Resident population.

**2.1.9 Emergency Services.** Summit Square shall provide, in case of a medical emergency, 24-hour on-call nursing personnel.

**2.1.10 Resident Council.** Interested residents may establish and maintain a Resident Council. Summit Square will be responsible for providing assistance with the formation and maintenance of the council, whether or not such a council exists in Summit Square. The general purpose of the council is to promote a free exchange of ideas, to work with the administration in improving the quality of life for all residents, to discuss the services offered by Summit Square and make recommendations for resolution of identified problems or concerns and to perform other functions as determined by the council.

**2.1.11 Care Changes.** A 30-day notice will be given in the event the scope of care as provided herein is to be changed. In urgent situations the notice will be waived.

**2.1.12 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber services; clinic services (e.g.- foot care, blood glucose monitoring, etc.) notary public services; additional housekeeping; and individual landscaping.

### **3. HEALTH CARE (Nursing, Assisted Living and Catered Living)**

**3.1 Outpatient Services.** Summit Square may provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square may arrange for clinical staff to be available from time to time in the clinic. The Resident may, however, engage the services of an alternative clinical professional who may also use the facilities of the clinic subject to policies and procedures of Summit Square.

Summit Square may arrange for the services of a physical/occupational/speech therapist, a dentist, and other health professionals as appropriate. The Resident is responsible for payment of charges by these health professionals. The Resident is also responsible for charges incurred in the clinic.

**3.2 Inpatient Services.** The Resident shall have priority over non-residents for admission to Summit Square Assisted Living or the Health Care Center. Care will be provided as may be appropriate in an assisted living facility or nursing facility. Need for care beyond that which can be provided in these settings may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to Summit Square Assisted Living or Health Care Center shall terminate the rights and obligations of both parties to this Agreement, and a new Agreement will be signed and initiated for the Summit Square Assisted Residence or Health Care Center, whichever is applicable.

**3.2.1 For Type I and Type III Occupancy Agreements only.** The cost of care in these facilities shall be the responsibility of the Resident.

**3.2.2 For Type II Occupancy Agreements only.** Should the Resident require care in the Summit Square Assisted Residence and/or the Health Care Center, ninety (90) days of such care shall be provided by Summit Square. Such days are cumulative over the Resident's lifetime and are non-transferable, non-renewable, and non-refundable. During those ninety (90) days, the Resident will continue to be responsible for his/her regular Monthly Fee, additional meals, and ancillary medical supplies. If care is required beyond the ninety (90) day period, the Resident shall

be responsible for payment of the full per diem rate currently applicable to the level of care that he/she is receiving.

**3.3 Emergency Situations.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, and the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make a necessary decision, Resident hereby appoints the executive director of Summit Square or a person so designated to act in the stead of said executive director to request immediate transportation of the resident to the local hospital for care. It is agreed that Summit Square nor the executive director and/or designee shall not be liable to Resident nor to any other person in any manner whatsoever because of such actions.

**3.3.1 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance: Charges of any physician, physical/occupational/speech therapist, podiatrist, or other health professional, whether provided by Summit Square or elsewhere;

**3.3.2** Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

**3.4 Medical Insurance** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap or other supplemental insurance for which he or she may qualify. Summit Square and this Agreement do not act as a substitute for Medigap or other Insurance. Summit Square may, at option and without obligation, obtain policies of insurance covering its services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Monthly Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

#### **4. OCCUPANCY AND FEES**

**4.1 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents prior to occupancy and with any changes or updated versions of these documents. In no case shall occupancy be permitted without the above.

**4.2 Occupancy.** Resident agrees to occupy the Residence assigned on or before \_\_\_\_\_. In the event the Resident does not occupy the Residence on this assigned date, Resident shall be obligated to pay the applicable monthly fee, from the assigned occupancy date to the actual date of occupancy. The Residence shall be occupied solely by the Resident(s) herein. There shall be no occupancy by non-residents. No guest, other than a family member, should occupy a Residence for longer than one week without prior approval of the executive director. Responsibility for the conduct and other actions by the Resident's guest(s) is the responsibility of the resident.

**4.3 Policies and Procedures.** Resident will abide by Summit Square's policies and procedures and such reasonable amendments, modifications and changes of these policies and procedures as may hereafter be adopted by Summit Square. Any policies and procedures adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.4 Survivor.** If this Agreement is executed by Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall transfer to, the surviving Resident to the same extent as if such surviving Resident had been the sole and only Resident under the terms of this Agreement provided that the survivor can demonstrate his or her ability to continue to meet the financial terms of this agreement. In the event the survivor is unable or unwilling to do so, they will be subject to termination of this agreement.

**4.5 Relocation or Death of Resident(s).** This Agreement does not create any interest in the real estate owned by Summit Square, and this occupancy privilege shall not inure to the use or benefit of the heirs, assignees, or representatives of

residents and, upon the relocation or death of the last surviving of the Residents, all rights of occupancy under this Agreement shall terminate.

**4.6 Resident's Inability to Pay.** The Resident(s) shall be required to provide a complete update to their financial statements prior to moving to another level of care within Summit Square. A move to a higher level of care could be denied if the Resident would not pass financial qualification and their inability to do so was a result of abnormal gifting or other diversion of assets subsequent to the Resident's original financial statement and qualification. If the Resident or surviving resident is unable to meet his or her financial obligations to Summit Square, the Resident agrees to liquidate personal assets in order to meet their obligations hereunder. The Resident will also furnish to Summit Square sufficient financial information that will justify that the Resident is unable to pay the total monthly fee and other charges. Once the Resident satisfactorily establishes facts to justify the need for such financial assistance, Summit Square may, if it can do so without impairing the ability of Summit Square to operate on a sound financial basis, subsidize the Resident's Monthly Fee. In the event financial assistance is granted, the Resident shall be liable to Summit Square for the full amount of the subsidy received by the Resident, which will be charged against the Resident's entrance fee refund, if any, and to the extent of any deficiency amount thereafter, and otherwise shall be due and payable from and enforceable against the resident's estate. In the case of Summit Square subsidizing the Resident's Monthly fee, Summit Square reserves the right to require the Resident to transfer to a smaller Residence when available, in order to reduce the Monthly Fee. Failure of the Resident to pay the Monthly Fee or to qualify for financial assistance may result in the Resident's loss of occupancy of the Residence as outlined in this agreement.

**4.7 Financial Statements.** To ensure Summit Square's ongoing ability to plan for future needs of residents who outlive their resources, it is important to anticipate, as much as practicable, what those obligations will be. Therefore, Resident agrees to provide an updated and complete financial statement, along with associated documentation, as requested every three (3) years.

**4.8 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Residence (a) at all reasonable times for inspection and to

perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.9 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to the Summit Square Assisted Living Center or the Health Care Center, or upon termination of this Agreement, all of the Resident's property shall be removed from the previously occupied Residence within 30 days by an individual designated by the Resident or the Resident's Attorney-in-Fact. **Summit Square shall impose the applicable Monthly Fee until said Resident's property is removed and the Residence is released to Summit Square.** Summit Square shall be entitled to reduce the unamortized Entry Fee refund, if any, by 2% per month until the property is removed. Summit Square may opt to move, store or dispose of the items subject to a fee. Summit Square will not be responsible for loss or damage to the Resident's belongings.

**4.10 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, the Resident shall insure his/her property against casualty and theft loss, should he/she desire such insurance protection. Summit Square shall not be responsible for damage to or loss of any of the Resident's property by casualty, theft, or other cause.

**4.11 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Effective March 1, 2018, Summit Square became a tobacco-free community and adopted a tobacco-free policy that applies to all residents, employees, volunteers, vendors and contractors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Summit Square campus), as well as adjacent property. Residents not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## 5. TRANSFER AND SURRENDER OF RIGHT OF OCCUPANCY

**5.1 Physical and Mental Health Requirements of Resident.** As a condition of occupancy at Summit Square, the Resident shall be physically and mentally capable of performing routine activities of daily living and able to respond appropriately to emergency situations. If Summit Square determines in its sole discretion that the Resident is unable to comply with these requirements or the Resident's physical or mental illness causes the Resident's continued presence at Summit Square to be detrimental to the health or safety of his/herself or others, Summit Square reserves the right to transfer the Resident to an appropriate level of care within Summit Square or transfer the Resident to an appropriate institution or facility. While at such an institution or facility the Resident shall continue to pay the monthly fee. In the event of a transfer the provision of Section 5.2 shall apply.

**5.2 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or safety of his/herself, other residents, or staff; or when Summit Square determines such action to be in the best interest of the Resident, Summit Square shall have authority, in consultation with the Resident's Power-of-Attorney, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this Agreement. In the event that the condition requiring transfer of the Resident is not temporary in nature, the Residence shall be released.

**5.3 Exchange Between Accommodations.** Residents may transfer to or exchange accommodations with the prior approval of the Executive Director. Requests will be considered based on the Policies and Procedures of Summit Square.

**5.4 Permanent Surrender of Right of Occupancy.** The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residence and to move to a level of care that would best meet his/her needs (such determination to be made by the Summit Square Resident Review Committee):

- (a) Limited mobility
- (b) Limited vision

- (c) Failing general health that precludes Resident from Independent Living due to his/her inability to cook, clean, bathe, and secure groceries and supplies
- (d) Loss of mental faculties to a degree where living independently poses a hazard to his/her health or to the health of the community.

This process may be initiated by:

- (a) Recommendation of Resident Review Committee
- (b) Recommendation of family physician
- (c) In consultation with family members
- (d) By the Executive Director and Resident Review Committee
- (e) At the request and desire of the Resident

If a Resident needs to move to a higher level of care or out of Summit Square, the executive director and Resident Review Committee in consultation with the responsible party will collaborate to reach a decision in the best interest of the Resident. The final decision will be Summit Square's.

A Resident will be allowed to reside his/her residence described in this Agreement as long as he/she does not suffer from any physical or mental condition as described above; continues to pay the applicable monthly fee and other charges; and cancellation of this Occupancy Agreement has not occurred as provided for herein.

**5.5 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the Resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of the Monthly Fee or other charges; repeated conduct by the Resident that interferes with other Residents' quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written policies and procedures; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related financial or medical information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel

this Agreement by Summit Square will be provided to the Resident and his/her attorney-in-fact.

**5.6 Opportunity to Cure.** Where applicable within a 30-day period, an opportunity will be given to cure whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.7 Voluntary Cancellation by Resident.** The Resident shall give a sixty (60) day written notice prior to voluntary cancellation of this Agreement. If the Resident fails to give proper notice, he/she agrees that Summit Square shall be entitled to reduce the Resident's unamortized Entrance Fee by 2% per month for the sixty (60) day period.

## **6. Co-Occupancy**

**6.1 Marriage and/or Co-Occupancy with a Non-Resident.** When a Resident marries and brings his/her spouse to Summit Square, there will be a second person Entrance Fee for the Resident's spouse. The second person Entrance Fee will be based on the spouse's occupancy agreement type. There will also be a second person Monthly Fee for the Resident's spouse based upon his or her occupancy agreement type. Summit Square will honor its Agreement with the original Resident. At the termination of that Agreement, the surviving spouse may negotiate his/her own Agreement. The spouse/co-occupant must meet Summit Square's entrance requirements. If the spouse/co-occupant cannot meet the admissions criteria, Summit Square will deny continued Residency. In such event, the right of the surviving spouse to occupy said Residence shall cease and terminate, and the Residence shall be deemed fully surrendered to Summit Square.

**6.2 Marriage and/or Co-Occupancy with a Current Resident.** In the event that the Co-occupant is already a resident of Summit Square, this Agreement and the Co-Occupant's Agreement shall be cancelled, and the Resident and Co-occupant will enter into a new Agreement with Summit Square. If the Resident remains in the current Residence and the Co-occupant moves into the Resident's Residence, the only additional Entrance Fee payment required shall be for the current second person Entrance Fee if applicable. If two entrance fees have been

paid, no additional entrance fee may be required; if only one entrance fee has been paid, an additional entrance fee will be required. There will also be a second person Monthly Fee for the Resident's Co-Occupant based upon his or her occupancy agreement type. This charge will be at the current rate charged to other residents. In this case, a refund of any portion of the Entrance Fee paid under this Agreement shall be governed by the terms and conditions of the new Agreement.

**6.2.3 Relocation of Current Residents.** If the Resident and Co-occupant are both current residents and move from their current Residences into a new shared Residence, the Resident and Co-occupant shall receive credit for the amount of Entrance Fees paid by them with respect to their separate Agreements, less any amounts charged or chargeable against the Entrance Fees paid, and shall pay Summit Square the difference, if any, between the sum of the Entrance Fee paid with respect to their Agreements and the Entrance Fee and Second Person Entrance Fee charged for the new Residence at the time the Resident and the Co-Occupant enter into the new Agreement. If the Entrance Fee for the new Residence is lower than the sum of the Entrance Fees due and owing to the Residents, Summit Square shall not refund the excess to the Resident or Co-occupant at the time they enter into the new Agreement.

**6.3 Separation of Residents.** In the event two current Residents decide to occupy separate residences, the following options are available:

**6.3.1** If both choose to remain as Residents and therefore need separate Residences, the Resident moving to a new Residence will be obligated to pay the then current Entrance Fee and single person's Monthly Fee for the selected Residence. Summit Square shall not refund any portion of the Entrance Fee paid under this agreement upon relocation.

**6.3.2** If one Resident desires to move out of Summit Square, the other Resident may remain in the current Residence or move to a new Residence, subject to the terms and conditions of this Agreement. If the remaining Resident stays in the current Residence, the Resident shall pay the single person Monthly Fee for the current Residence. If the

Resident moves to a new Residence, in addition to paying the single person's Monthly Fee for the new Residence, he or she will pay the difference between the current Entrance Fee for the new Residence and the Entrance Fee paid under this Agreement. Summit Square shall not refund, at that time, any portion of the Entrance Fee paid under this Agreement.

## **7. ENTRANCE FEE REFUND**

**7.1 Refund of Entrance Fee.** In the event of death or withdrawal of the Resident from Summit Square and release of the Residence, a partial refund of the Entrance Fee may be available. All refunds of any portion of the Entrance Fee are expressly conditioned upon Summit Square's acceptance for admission of a new resident, the new resident's payment of the Entrance Fee, and the new resident's occupancy of the Residence. Any Entrance Fee refund that may be due to you or your estate shall first be applied to satisfy, in part or in whole, any outstanding Monthly Fee or other charge(s) owed by you to Summit Square and/or the interest and principal outstanding on any Fellowship Assistance granted to you by Summit Square, and the balance thereof shall be paid to you or your estate. In no event shall you or your estate receive a refund of the Monthly Fee paid to Summit Square. Any outstanding Entrance Fee will be paid after the successful remarketing of the residence or within six (6) months, whichever occurs first. The refund available depends on your Agreement type. The following formulas apply:

**7.1.1 For Type I and Type II Occupancy Agreements only.** If the withdrawal or death occurs during the first 50 months following the date of occupancy, or assigned occupancy date, whichever occurs first, a refund of the Entrance Fee will be made, reduced by 2% per month from the date herein referred to, until the Residence is released to Summit Square. There will be no refund made under this policy after 50 months. No refunds are available for permanent transfers to a different level of care under Type I and Type II Occupancy Agreements.

**7.1.2 For Type III Occupancy Agreements only.** If withdrawal or death occurs, the refund will be 50% of the Entrance Fee. In the event the Resident becomes unable to pay the applicable monthly or daily service fee(s) in any level of housing or care, the Resident shall be liable to Summit Square for the full amount, which will be charged against the Resident's Entrance Fee refund as well as payable from the Resident's estate.

**7.1.3** If the Resident dies before occupying the Residence, or is precluded through illness, injury, or incapacity from becoming a Resident under the terms of the Occupancy Agreement, the Agreement is automatically rescinded, and the Resident or his /her legal representative shall receive a full refund of all money paid to Summit Square, except those costs specifically incurred by Summit Square at the request of the Resident.

## **8. MISCELLANEOUS**

**8.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**8.2 Representations.** The application and the statements of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 of this Agreement.

**8.3 Responsibility for Protection of the Resident's Property.** Summit Square shall not be responsible for the loss of any personal property belonging to the Resident due to theft, fire or any other cause. The Resident shall have the

responsibility, at the Resident's own expense, of insuring the Resident's property against such risks under a tenant's or homeowner's insurance policy.

**8.4 Accident Caused by the Resident.** The Resident shall indemnify and hold Summit Square harmless from any claims, investigations, proceedings or lawsuits, including all damages, costs, expenses, reasonable attorney's fee and court costs, resulting from, attributable to or in any way connected with the negligent or intentional act or omissions of the Resident. The Resident shall obtain liability insurance to cover such situations.

**8.5 Responsibility for Damages.** Any harm or damages to the real or personal property of Summit Square caused in whole or in part by the Resident shall be charged to and paid for by the Resident. Summit Square assumes by this Agreement no responsibility for any harm or damage done to the person or property of the Resident by another resident or by any other person or entity. To the extent permitted by law, the Resident also hereby releases and discharges Summit Square from any and all Claims for personal injury or property damage suffered by the Resident which are alleged to or actually arise from or relate to, in whole or in part, Summit Square's assistance to, supervision or care of other residents.

**8.6 Renovations and Additions to the Campus.** From time to time, Summit Square may decide to renovate, demolish and add to its facilities. Resident agrees that he or she anticipates such activities, and they shall not constitute a nuisance or give rise to any cause of action on account of noise, dust, vibration, or any other inconvenience. Resident also agrees these activities by Summit Square shall not constitute a breach by Summit Square of this Agreement or any other obligation owed to the Resident. Resident further agrees not to maintain any action against Summit Square to enjoin it from renovating, demolishing or adding to its facilities.

**8.7 Non-Discrimination.** Neither marital status, race, sex, national origin, disability, nor faith has any bearing upon the offer, acceptance or termination of residence at Summit Square.

**8.8 Whole and Binding Agreement.** The Resident has received this Agreement and has had the opportunity to have it reviewed by his or her attorney or

financial advisor. The parties agree that this Agreement and the Disclosure Statement contain the entire agreement. This Agreement is binding on the Resident and Summit Square and all parties who lawfully succeed to their rights or take their places.

**THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT**, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

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## SIGNATURES

Print Name

SUNNYSIDE PRESBYTERIAN HOME

By: \_\_\_\_\_  
“Summit Square”

Print Name

By: \_\_\_\_\_  
“Resident”

By: \_\_\_\_\_  
“Resident”

Initials \_\_\_\_\_

## **ACKNOWLEDGMENTS:**

I hereby acknowledge I/we have received the following:

Initials:

\_\_\_\_ \_\_\_\_  A copy of Summit Square's Continuing Care Provider Disclosure Statement  
\_\_\_\_ \_\_\_\_  A complete copy of this Occupancy Agreement  
\_\_\_\_ \_\_\_\_  A copy of this Resident's Handbook

**Type I Occupancy Agreement**  
 **Type II Occupancy Agreement**  
 **Type III Occupancy Agreement**

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

\_\_\_\_\_

# SUMMIT SQUARE

## PATIO (RENTAL) OCCUPANCY AGREEMENT



*Summit Square*

WHERE LIFE IS BETTER

**SUMMIT SQUARE  
PATIO (RENTAL) OCCUPANCY AGREEMENT**

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## I. Recitals

### Definitions

**“Agreement” or “Occupancy Agreement”** shall mean this document and any attachments, and the Application and medical history provided by the resident.

**“Assisted Living”** shall mean the assisted living services and facilities at Summit Square, which Summit Square shall be licensed by the state to provide.

**“Attorney-in-Fact”** shall mean that individual that the Resident identifies through proper identification as the Resident’s power of attorney and health care power of attorney.

**“Community”** shall mean the Sunnyside Presbyterian Home of Rockingham County, Virginia, hereafter Summit Square a Virginia not-for-profit corporation and the operator of Summit Square.

**“Continuing Care”** shall mean the provision of lodging and nursing, medical or other health related services at the same or another location to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of a fee or other fee with or without other periodic charges. An individual who is provided continuing care is one who is not related by consanguinity or affinity to the person who provides the care.

**“Co-occupant”** shall mean the relative, friend or friends residing with the Resident in the Residence.

**“Entrance Fee”** shall mean the sum of money transferred by the resident to Summit Square as full or partial consideration for acceptance of the resident into Summit Square and as described in Section 4.2 of this Agreement.

**“Executive Director”** shall mean the individual with overall responsibility for directing and planning the day-to-day administration of Summit Square.

**“Health Care Center”** shall mean the nursing care facility at Summit Square.

**“Monthly Fee”** shall mean the fee paid by the Resident to Summit Square on a monthly basis and described in this Agreement.

**“Permanent Resident”** shall mean a Resident for whom a determination has been made by the interdisciplinary medical team after consultation with the Resident or the Resident’s Responsible Party, the personal physician of the Resident and the Executive Director that such Resident needs permanent or prolonged full-time care in a nursing facility, assisted living facility or hospital (including mental hospital).

**“Refund”** shall mean the amount of non-cash credit (if determined applicable by Administration) allocated to the contract owner, unless specified by contract type.

**“Residence”** shall mean the residential unit designated by the Resident in Section 1.1 – Living Accommodations of this Agreement, or any other unit to which the Resident transfers, including Residences in the Health Care Center.

**“Resident”** shall mean the person or persons listed in the signature page of this agreement.

**“Resident Review Committee”** shall mean a multidisciplinary staff committee that reviews the health and safety of each resident to determine the appropriate level of care and/or service.

# SUMMIT SQUARE

## PATIO OCCUPANCY AGREEMENT (RENTAL)

### INTRODUCTION

THIS AGREEMENT is made on \_\_\_\_\_ by and between SUNNYSIDE PRESBYTERIAN HOME of Rockingham County, Virginia, hereinafter doing business as Summit Square, and \_\_\_\_\_ (“Resident”).

Sunnyside Presbyterian Home is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

### AGREEMENTS

#### **1. LIVING ACCOMMODATIONS, FEES AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable life right to occupy the Residence known as:

\_\_\_\_\_ (the “Residence”), subject to removal only as hereinafter provided.

**1.2 Monthly Fee.** Resident shall pay to Summit Square a Monthly Fee, currently \$ \_\_\_\_\_, **payable in advance** for the services described herein. Summit Square shall endeavor to maintain its schedule of fees at a reasonable rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident. The Resident shall not be entitled to occupy the Residence or to receive any services whatsoever from Summit Square until the payment of the Monthly Fee as described herein.

**1.3 Furnishings.** Summit Square shall provide appliances to include, but not limited to, a refrigerator, a kitchen range, dishwasher, microwave, and a clothes washer and dryer in the Residence. Resident shall provide all other furnishings. Electrical and mechanical appliances provided by Resident shall be subject to approval by Summit Square.

**1.4 Physical Changes in the Residence.** Any material physical change (i.e., changes to structure, fixtures, floor coverings) of any kind to the Residence may be made only upon the written approval of Summit Square. Any approved change(s) will be at the Resident's cost unless otherwise agreed to in writing by Summit Square. The approval of any change requested by the Resident will be conditioned upon the agreement of the Resident to bear the expense of restoring the residence to its original condition, unless otherwise approved in writing Summit Square.

**1.5 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Summit Square.

## **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the following utilities reasonably required (water and sewer, cable television, and in-house telephone service) in connection with the occupancy of the Residence, subject, however, to the availability of such services to Summit Square. Local and long-distance telephone service will be provided by Summit Square at an additional charge. Resident is required to arrange and pay for electrical service and natural gas from the local service providers.

**2.1.2 Local Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation shall be provided in accordance with policies and procedures at Summit Square. Summit Square reserves the right to charge appropriate fees for such transportation. In appropriate circumstances, transportation via ambulance or other related services may be necessary. In these instances, the Resident is responsible for payment of such transportation and any other associated charges. Transportation for special and group trips may be available, and the cost of such trips shall be borne by the Resident.

**2.1.3 Housekeeping.** The Resident shall be responsible for maintaining the Residence in a clean, sanitary, and orderly condition. However, housekeeping services shall be provided by Summit Square

upon request at an additional charge to the Resident.

**2.1.4 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square. Any work performed by Summit Square at the request of the Resident for repairs, maintenance and replacement will be at the Resident's own expense. All contractors performing work must be approved by the Executive Director or his or her designee.

**2.1.5 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.6 Mail.** Individual mailboxes shall be provided in a central location.

**2.1.7 Events.** Events of a social, recreational, wellness, and religious variety shall be provided for interested residents. Additional programs requested by the Resident may be provided subject to the considerations of costs, interest, and benefit to the overall Resident population.

**2.1.8 Emergency Services.** Summit Square shall provide, in case of a medical emergency, 24-hour on-call nursing personnel.

**2.1.9 Care Changes.** A 30-day notice will be given in the event the scope of care as provided herein is to be changed. In urgent situations the notice will be waived.

**2.1.10 Resident Council.** Interested residents may establish and maintain a Resident Council. Summit Square will be responsible for providing assistance with the formation and maintenance of the council, whether or not such a council exists in Summit Square. The general purpose of the council is to promote a free exchange of ideas, to work with the administration in improving the quality of life for all residents, to discuss the services offered by Summit Square and make recommendations for resolution of identified problems or concerns and to perform other functions as determined by the council.

**2.1.11 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions;

individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and activities; beauty/barber shops; clinic services (e.g.- foot care, blood glucose monitoring, etc); notary public services; additional housekeeping; and individual landscaping.

### **3. HEALTH CARE (Nursing, Assisted Living)**

**3.1 Outpatient Services.** Summit Square may provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square may arrange for clinical staff to be available from time to time in the clinic. The Resident may, however, engage the services of an alternative clinical professional who may also use the facilities of the clinic subject to policies and procedures of Summit Square.

Summit Square may arrange for the services of a physical/occupational/speech therapist, a dentist, and other health professionals, as appropriate. The Resident is responsible for payment of charges by these health professionals. The Resident is also responsible for charges incurred in the clinic.

**3.2 Inpatient Services.** The Resident shall have priority admission to Summit Square's Assisted Living or the Health Care Center. The cost of care in these facilities shall be the responsibility of the Resident. Care will be provided as may be appropriate in an assisted living facility or nursing facility. Need for care beyond that which can be provided in these settings may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to Assisted Living or Health Care Center shall terminate the rights and obligations of both parties to this Agreement, and a new Agreement will be signed and initiated for Assisted Living or Health Care Center, whichever is applicable.

**3.3 Emergency Situations.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, and the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make the necessary decision, Resident hereby appoints the Executive Director of Summit Square or a person so designated to act in the stead of said Executive Director to request immediate transportation to the local hospital for care. It is agreed that neither Summit Square nor the Executive Director and/or designee shall be liable to Resident nor to any other person in any manner whatsoever because of such actions.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance:

**3.4.1** Charges for services of any podiatrist, physicians, physical/occupational/speech therapist, or other health professional, whether provided by Summit Square or elsewhere;

**3.4.2** Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health related items.

**3.5 Medical Insurance** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap or other supplemental insurance for which he or she may qualify. Summit Square and this Agreement do not act as a substitute for Medigap or other insurance. Summit Square may, at option and without obligation, obtain policies of insurance covering its services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Monthly Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

## **4. OCCUPANCY**

**4.1 Power of Attorney.** Resident agrees to: (1) appoint and maintain a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents prior to occupancy and with any changes or updated versions of these documents. In no case shall occupancy be permitted without the above.

**4.2 Occupancy.** Resident agrees to occupy the Residence assigned on or before \_\_\_\_\_. In the event Resident does not occupy the Residence on this assigned date, Resident shall be obligated to pay the applicable monthly fee from the assigned occupancy date to the actual date of occupancy. The Residence shall be occupied solely by the Resident(s) herein. There shall be no occupancy by non-residents. No guest, other than a family member should occupy a residence for more than one (1) week without prior approval of the Executive Director or his or her designee. Responsibility for the conduct and other actions by the Resident's guest(s) is the responsibility of the Resident.

**4.3 Policies and Procedures.** Resident will abide by Summit Square's policies and procedures and such reasonable amendments, modifications and changes of these policies and procedures as may hereafter be adopted by Summit Square. Any policies and procedures adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.4 Survivor.** If this Agreement is executed by Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall transfer to, the surviving Resident to the same extent as if such surviving Resident had been sole and only Resident under the terms of this Agreement, provided the survivor can demonstrate his or her ability to continue to meet the financial terms of this agreement. In the event the survivor is unable or unwilling to do so, they will be subject to termination of this agreement.

**4.5 Relocation or Death of Resident(s).** This Agreement does not create any interest in the real estate owned by Summit Square, and this occupancy privilege shall not inure to the use or benefit of the heirs, assignees, or representatives of residents, and, upon the relocation or death of the last surviving of the Residents, all rights of occupancy under this Agreement shall terminate.

**4.6 Resident's Inability to Pay.** The resident(s) shall be required to provide a complete update to their financial statements prior to moving to another level of care within Summit Square. A move to a higher level of care could be denied if the Resident would not pass financial qualification and their inability to do so was result of abnormal gifting or other diversion of assets subsequent to the Resident's original financial statement and qualification. If the Resident or surviving Resident is unable to meet his or her financial obligations to Summit Square, the Resident agrees to liquidate personal assets in order to meet their obligations hereunder. The Resident will also furnish to Summit Square sufficient financial information that will justify that the Resident is unable to pay the total Monthly Fee and other charges. Once the Resident satisfactorily establishes facts to justify the need for such financial assistance, Summit Square may, if it can do so without impairing the ability of Summit Square to operate on a sound financial basis, subsidize the Resident's Monthly Fee. In the event financial assistance is granted, the Resident shall be liable to Summit Square for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate. In the case of Summit Square subsidizing the Resident's Monthly fee, Summit Square reserves the right to require

the Resident to transfer to a smaller Residence when available, in order to reduce the Monthly Fee. Failure of the Resident to pay the Monthly Fee or to qualify for financial assistance may result in the Resident's loss of occupancy of the Residence as outlined in this agreement.

**4.7 Financial Statements.** To ensure Summit Square's ongoing ability to plan for future needs of residents who outlive their resources, it is important to anticipate, as much as practicable, what those obligations will be. Therefore, Resident agrees to provide an updated and complete financial statement, along with associated documentation, as requested every three (3) years.

**4.8 Right of Entry.** Employees of Summit Square shall have the right to enter the Resident's Residence (a) at all reasonable times for inspection and to perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.9 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to Assisted Living or the Health Care Center, or upon termination of this Agreement, all of the Resident's property shall be removed from the previously occupied Residence within 30 days by an individual designated by the Resident or the Resident's Power of Attorney. **Summit Square shall impose the applicable Monthly Residence Fee until said Resident's property is removed and the Residence is released to Summit Square.** Summit Square may opt to move, store or dispose of the property at the Resident's expense. Summit Square shall not be responsible for any lost or damaged property.

**4.10 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Effective March 1, 2018, Summit Square became a tobacco-free community and adopted a tobacco-free policy that applies to all residents, employees, volunteers, vendors and contractors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Sunnyside campus), as well as adjacent property. Residents not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## 5. TRANSFER AND SURRENDER OF RIGHT OF OCCUPANCY

**5.1 Physical and Mental Health Requirements of Resident.** As a condition of occupancy at Summit Square, the Resident shall be physically and mentally capable of performing routine activities of daily living and able to respond appropriately to emergency situations. If Summit Square determines in its sole discretion that the Resident is unable to comply with these requirements or the Resident's physical or mental illness causes the Resident's continued presence at Summit Square to be detrimental to the health or safety of his/herself or others, Summit Square reserves the right to transfer the Resident to an appropriate level of care within Summit Square or transfer the Resident to an appropriate institution or facility. While at such an institution or facility the Resident shall continue to pay the monthly fee. In the event of a transfer the provision of Section 5.2 shall apply.

**5.2 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or safety of his/herself, other residents, or staff; or when Summit Square determines such action to be in the best interest of the Resident, Summit Square shall have authority, in consultation with the Resident's Responsible Party, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this contract. In the event that the condition requiring transfer of the Resident is not temporary in nature, the Residence shall be released.

**5.3 Residence Change.** Residents may transfer to or exchange Residences with the prior approval of the Executive Director. Requests will be based on Summit Square's Policies and Procedures.

**5.4 Permanent Surrender of Right of Occupancy.** The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residence and to move to a level of care that would best meet his/her needs:

- i. Limited capability mobility
- ii. Limited vision
- iii. Failing general health that precludes Resident from independent living due to his/her inability to cook, clean, bathe, and secure groceries and supplies
- iv. Loss of mental faculties to a degree where living independently poses a hazard to his/her health or to the health of the community.

This process may be initiated by any of the following:

- i. Recommendation of family physician
- ii. In consultation with family members
- iii. By the Executive Director and Resident Review Committee
- iv. At the request and desire of the Resident

If a Resident needs to move to a higher level of care or out of Summit Square, the executive director and Resident Review Committee in consultation with the responsible party will collaborate to reach a decision in the best interests of the Resident. The final decision will be Summit Square's.

A Resident will be allowed to continue his/her residence in the Residence described in this Agreement as long as he/she does not suffer from any physical or mental condition which could preclude his or her ability to continue to function independently, continues to pay the applicable monthly fee and other charges, and cancellation of this Occupancy Agreement has not occurred as provided for herein.

**5.5 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the Resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of the Monthly Fee; repeated conduct by the Resident that interferes with other residents' quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written policies and procedures; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident.

**5.6 Opportunity to Cure.** Where applicable, within a 30-day period an opportunity will be given to cure whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.7 Voluntary Cancellation by Resident.** Resident shall give a sixty (60) day written notice prior to voluntary cancellation of this Agreement. If Resident fails to give the proper notice, he/she agrees that Summit Square shall charge its normal fees for the 60-day period.

## 6. Co-Occupancy and/or Marriage

**6.1 Marriage and/or Co-occupancy with a Non-Resident.** When a current Resident marries and brings his/her spouse to Summit Square, there will be an additional Monthly fee for the second Resident. Summit Square will honor its Agreement with the original Resident. At the termination of that agreement, the surviving spouse may negotiate his/her own Agreement. This charge will be at the current rate charged to other Residents. The surviving spouse must meet Summit Square's entrance requirements. If the surviving spouse cannot meet the admissions criteria, the Admissions Committee will deny continued residency. In such event, the right of the surviving spouse to occupy said Residence shall cease and terminate, and the residence shall be deemed fully surrendered to Summit Square.

**6.2 Marriage or Co-Occupancy with a Current Resident.** In the event that the Co-Occupant is already a Resident of Summit Square, this Agreement and the Co-Occupant's Agreement shall be cancelled, and the Resident and Co-occupant will enter into a new Agreement with Summit Square. If the Resident remains in the current Residence and the Co-Occupant moves into the Resident's residence, there will be a second person monthly fee for the Resident's Co-Occupant based on his or her contract type. This charge will be at the current rate charged to other Residents.

**6.3 Separation of Residents.** In the event two current Residents decided to occupy separate residences, the following options are available:

**6.3.1** If both choose to remain as Residents and therefore need separate Residences, the Resident moving to a new Residence will be obligated to pay the then current single person's Monthly Fee for the selected Residence.

**6.2.2** If one Resident desires to move out of Summit Square, the other Resident may remain in the current Residence or move to a new Residence, subject to the terms and conditions of this Agreement. If the remaining Resident stays in the current Residence, the Resident shall pay the single person Monthly Fee for the residence.

## 7. Miscellaneous

**7.1 Further Assurances.** The Resident, for himself/herself, his/her heirs personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**7.2 Representations.** The application and the statement of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements herein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 in this Agreement.

**7.3 Responsibility for Protection of the Resident's Property.** Summit Square shall not be responsible for the loss of any personal property belonging to the Resident due to theft, fire or any other cause. The Resident shall have the responsibility, at the Resident's own expense, of insuring the Resident's property against such risks under a tenant's or homeowner's insurance policy.

**7.4 Accident Caused by the Resident.** The Resident shall indemnify and hold Summit Square harmless from any claims, investigations, proceedings or lawsuits, including all damages, costs, expenses, reasonable attorney's fee and court costs, resulting from, attributable to or in any way connected with the negligent or intentional act or omissions of the Resident. The Resident shall obtain liability insurance to cover such situations.

**7.5 Responsibility for Damages.** Any harm or damages to the real or personal property of Summit Square caused in whole or in part by the Resident shall be charged to and paid for by the Resident. Summit Square assumes by this Agreement no responsibility for any harm or damage done to the person or property of the Resident by another resident or by any other person or entity. To the extent permitted by law, the Resident also hereby releases and discharges Summit Square from any and all Claims for personal injury or property damage suffered by the Resident which are alleged to or actually arise from or relate to, in whole or in part, Summit Square's assistance to, supervision or care of other residents.

**7.6 Renovations and Additions to the Campus.** From time to time, Summit Square may decide to renovate, demolish and add to its facilities. Resident agrees that he or she anticipates such activities, and they shall not constitute a nuisance or give rise to any cause of action on account of noise, dust, vibration, or any other inconvenience. Resident also agree these activities by Summit Square shall not constitute a breach by Summit Square of this Agreement or any other obligation owed to the Resident. Resident further agrees not to maintain any action against Summit Square to enjoin it from renovating, demolishing or adding to its facilities.

**7.7 Non-Discrimination.** Neither marital status, race, sex, national origin, disability, nor faith has any bearing upon the offer, acceptance or termination of

residence at Summit Square.

**7.8 Whole and Binding Agreement.** The Resident has received this Agreement and has had the opportunity to have it reviewed by his or her attorney or financial advisor. The parties agree that this Agreement and the Disclosure Statement contain the entire agreement. This Agreement is binding on the Resident and Summit Square, their successors and assigns.

THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

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

Print Name

SUNNYSIDE PRESBYTERIAN HOME

By: \_\_\_\_\_  
“Summit Square”

Print Name

By: \_\_\_\_\_  
“Resident”

By: \_\_\_\_\_  
“Resident”

By: \_\_\_\_\_  
“Attorney-in-Fact”, if applicable

## ACKNOWLEDGMENTS:

I hereby acknowledge I/we have received the following:

Initials:

\_\_\_\_  A copy of Summit Square's Continuing Care Provider Disclosure Statement  
\_\_\_\_  A complete copy of this Occupancy Agreement  
\_\_\_\_  A copy of this Resident's Handbook

Signed:

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Resident

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Attorney-in-Fact, if applicable

Date:

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Rev. 0623/lk

# Summit Square

**RESIDENTIAL (Apartment)  
OCCUPANCY  
RENTAL AGREEMENT**



*Summit Square*

WHERE LIFE IS BETTER

**SUMMIT SQUARE  
RESIDENTIAL (Apartment) OCCUPANCY  
RENTAL AGREEMENT**

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## I. Recitals

### Definitions

**“Agreement” or “Occupancy Agreement”** shall mean this document and any attachments, and the Application and medical history provided by the resident.

**“Assisted Living”** shall mean the assisted living services and facilities, which Summit Square shall be licensed by the state to provide.

**“Attorney-in-Fact”** shall mean that individual that the Resident identifies through proper identification as the Resident’s power of attorney and health care power of attorney.

**“Community”** shall mean the Sunnyside Presbyterian Home of Rockingham County, Virginia, hereafter Summit Square a Virginia not-for-profit corporation and the operator of Summit Square.

**“Continuing Care”** shall mean the provision of lodging and nursing, medical or other health related services at the same or another location to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of an entrance fee or other fee with or without other periodic charges. An individual who is provided continuing care is one who is not related by consanguinity or affinity to the person who provides the care.

**“Co-occupant”** shall mean the relative, friend or friends residing with the Resident in the Residence.

**“Entrance Fee”** shall mean the sum of money transferred by the resident to Summit Square as full or partial consideration for acceptance of the resident into Summit Square and as described in this Agreement.

**“Executive Director”** shall mean the individual with overall responsibility for directing and planning the day-to-day administration of Summit Square.

**“Health Care Center”** shall mean the nursing care facility at Summit Square.

**“Monthly Fee”** shall mean the fee paid by the Resident to Summit Square on a monthly basis and described in this Agreement.

**“Permanent Resident”** shall mean a Resident for whom a determination has been made by the interdisciplinary medical team after consultation with the Resident or the Resident’s Responsible Party, the personal physician of the Resident and the Executive Director that such Resident needs permanent or prolonged full-time care in a nursing facility, assisted living facility or hospital (including mental hospital).

**“Residence”** shall mean the residential accommodation designated by the Resident in Section 1.1 – Living Accommodations of this Agreement, or any other accommodation to which the Resident transfers, including accommodations in the Health Care Center.

**“Resident”** shall mean the person or persons listed in the signature page of this agreement.

**“Resident Review Committee”** shall mean a multidisciplinary staff committee that reviews the health and safety of each resident to determine the appropriate level of care and/or service.

# **SUMMIT SQUARE**

## **RESIDENTIAL OCCUPANCY AGREEMENT**

### **(Rental)**

## **INTRODUCTION**

THIS TYPE AGREEMENT is made on \_\_\_\_\_, by and between SUNNYSIDE PRESBYTERIAN HOME, Inc. of Rockingham County, Virginia, hereinafter doing business as Summit Square in Augusta County, Virginia and \_\_\_\_\_ (“Resident”).

SUNNYSIDE PRESBYTERIAN HOME is a not-for-profit corporation organized under the laws of the Commonwealth of Virginia to establish and operate retirement facilities for adults. The Resident has made application for residence in the community known as Summit Square, and such application has been approved, subject to the provisions of this Agreement.

## **AGREEMENTS**

### **1. LIVING ACCOMMODATIONS, FEES AND FACILITIES**

**1.1 Living Accommodations.** The Resident shall have a personal, non-assignable right to occupy the Residence known as \_\_\_\_\_ (the “Residence”), and subject to removal only as hereinafter provided.

**1.2 Monthly Fees.** Resident shall pay to Summit Square a Monthly Fee, currently \$ \_\_\_\_\_, **payable in advance**, for the services described herein. Summit Square shall endeavor to maintain its schedule of fees at a reasonable rate consistent with sound financial practices. Summit Square may adjust the schedule of fees at any time upon a 30-day written notice to the Resident. The Resident shall not be entitled to occupy the Residence or to receive any services whatsoever from Summit Square until the payment of the Monthly Fee and/or Entrance Fee described in these sections has been received.

**1.3 Furnishings.** Summit Square shall provide an all-electric kitchenette in the Residence. Electrical and mechanical appliances provided by Resident shall be subject to approval by Summit Square.

**1.4 Summit Square Facilities.** Resident shall have the right to use, in common with other residents, the congregate and communal facilities provided by Summit Square.

**1.5 Physical Changes in the Residence.** Any material physical change (i.e., changes to structure, fixtures, floor coverings) of any kind to the Residence may be made only upon the written approval of Summit Square. Any approved change(s) will be at the Resident's cost, unless otherwise agreed to in writing by Summit Square. The approval of any change requested by the Resident will be conditioned upon the agreement by the Resident to bear the expense of restoring the Residence to its original condition, unless otherwise approved in writing by Summit Square.

## **2. SERVICES PROVIDED BY SUMMIT SQUARE**

**2.1 Services Provided.** The Resident shall have the right to all the services and amenities specified below as long as: (i) the Resident complies with the terms of this Agreement and (ii) the Agreement is not terminated.

**2.1.1 Utilities.** Summit Square shall provide the utilities reasonably required (water and sewer, electricity, heating, air conditioning, cable television, and in-house telephone service) in connection with the occupancy of the Residence, subject, however, to the availability of such services to Summit Square. Summit Square will provide local and long-distance telephone service at an additional charge.

**2.1.2 Local Transportation.** Summit Square shall provide scheduled transportation as deemed appropriate. Transportation shall be provided in accordance with policies and procedures at Summit Square. Summit Square reserves the right to charge appropriate fees for such transportation. In appropriate circumstances, transportation via ambulance or other related services may be necessary. In these instances, the Resident is responsible for payment of such transportation and any other associated charges. Transportation for special and group trips may be available, and the cost of such trips shall be borne by the Resident.

**2.1.3 Meals.** Summit Square shall provide a meal plan each month to the Resident. The Resident may purchase additional meals at a cost to be determined by Summit Square. The monthly allocation from the Resident's monthly fee for the meal plan will be \$350. The amount of

the allocation may be adjusted from time to time as determined by Summit Square.

**2.1.4 Housekeeping.** Summit Square shall provide weekly housekeeping services. However, the Resident shall maintain the Residence in a clean, sanitary, and orderly condition.

**2.1.5 Laundry.** Summit Square shall provide weekly laundry service for all bed linen and towels. Summit Square shall provide washers and dryers in common areas for use by the Resident for his/her personal laundry.

**2.1.6 Maintenance and Repairs.** Necessary repairs, maintenance, and replacement of property owned by Summit Square shall be performed and provided by Summit Square. Any other work performed at the request of the Resident for repairs, maintenance and replacement will be at the Resident's own expense. All contractors performing work must be approved by the Executive Director.

**2.1.7 Grounds.** Summit Square shall provide basic grounds keeping care, including lawn service and snow removal from roadways and walks.

**2.1.8 Mail.** Individual mailboxes shall be provided in a central location.

**2.1.9 Events.** Events of a social, recreational, wellness or religious variety shall be provided for interested residents. Additional events requested by the Resident may be provided subject to the considerations of costs, interest, and benefit to the overall Resident population.

**2.1.10 Resident Council.** Interested residents may establish and maintain a Resident Council. Summit Square will be responsible for providing assistance with the formation and maintenance of the council, whether or not such a council exists in Summit Square. The general purpose of the council is to promote a free exchange of ideas, to work with the administration in improving the quality of life for all residents, to discuss the services offered by Summit Square and make recommendations for resolution of identified problems or concerns and to perform other functions as determined by the council.

**2.1.11 Health Services.** Summit Square shall provide, in case of a medical emergency, 24-hour on-call nursing personnel.

**2.1.12 Care Changes.** A 30-day notice will be given in the event the scope of care as provided herein is to be changed. In urgent situations the notice will be waived.

**2.1.13 Other Services.** Services for which an additional charge may be made, if provided, include, but are not limited to: group travel trips arranged for special cultural, social, sporting, and scenic excursions; individual transportation services; art and instruction classes, theater, orchestra, lecture series tickets, specific entertainment and events; beauty/barber shops; clinic services (e.g.- foot care, blood glucose monitoring, etc); notary public services; additional housekeeping; and individual landscaping.

### **3. HEALTH CARE (Nursing, Assisted Living)**

**3.1 Outpatient Services.** Summit Square may provide a clinic where the Resident may be examined and treated as an outpatient. Summit Square may arrange for Clinical Staff to be available from time to time in the clinic. The Resident may, however, engage the services of an alternative clinical professional who may also use the facilities of the clinic subject to policies and procedures of Summit Square.

Summit Square may arrange for the services of a physical/occupational/speech therapist, a dentist, and other health professionals, as appropriate. The Resident is responsible for payment of charges by these health professionals. The Resident is also responsible for charges incurred in the clinic.

**3.2 Inpatient Services.** The Resident shall have priority over non-residents for admission to Assisted Living or to Health Care. The cost of care in these facilities shall be the responsibility of the Resident. Care will be provided as may be appropriate in an assisted living facility or nursing facility. Need for care beyond that which can be provided in these settings may require the Resident to relocate to an appropriate facility (example: acute care hospital or mental illness or drug abuse treatment facility). Permanent transfer to Assisted Living or Health Care shall terminate the rights and obligations of both parties to this Agreement, and a new Agreement will be signed and initiated for Assisted Living or Health Care, whichever is applicable.

**3.3 Emergency Situation.** The Resident agrees that in the event of physical injury or illness which requires immediate hospitalization, medical treatment, or surgical operation, and the Resident is incapable or incompetent because of injury or illness to consent to such necessary hospitalization, medical treatment or surgery and the Resident's Attorney-in-Fact or Agent pursuant to a Medical Power of Attorney cannot be reached in time to make a necessary decision, Resident hereby appoints the Executive Director of Summit Square or a person so designated to act in the stead of said Executive Director to request immediate transportation of the resident to the local hospital for care. It is agreed that Summit Square nor the Executive Director and/or designee shall not be liable to Resident or any other person in any manner whatsoever because of such actions.

**3.4 Health Related Charges.** The Resident shall be responsible for the following charges to the extent they are not covered by Medicare or the Resident's Supplemental Insurance:

**3.4.1** Charges of any Physicians, physical/occupational/speech therapist, podiatrist, or other health professional, whether provided by Summit Square or elsewhere;

**3.4.2** Charges for medicines, drugs, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic devices, or other health-related items.

**3.5 Medical Insurance.** The Resident shall maintain, at all times, at the Resident's own cost, the maximum coverage under any federal, state, municipal public insurance plans, and Medigap or other supplemental insurance for which they may qualify. Summit Square and this Agreement do not act as a substitute for Medigap or other insurance. Summit Square may, at option and without obligation, obtain policies of insurance covering services to Residents. All premium payments on such policies and the associated costs of same shall be reflected in future Monthly Fees. The Resident agrees to cooperate fully in connection with the application for and maintenance of such insurance.

**3.6 Mental Illness, Contagious Disease.** If Summit Square determines that the Resident's mental or physical illness causes continued presence at Summit Square to be dangerous or detrimental to the health or safety of the Resident or other Residents, Summit Square may transfer the Resident to an institution selected by Summit Square (or by the Resident or the Resident's Responsible Party if they have a preference, provided such transfer is appropriate and can be accomplished within a reasonable timeframe) at the Resident's expense. While at such an institution, the Resident shall continue to pay the Monthly Fee.

## 4. OCCUPANCY

**4.1 Power of Attorney.** Resident agrees to: (1) execute a valid Power of Attorney, (2) execute an Advance Medical Directive, and (3) provide Summit Square with current copies of these documents prior to occupancy and with any changes or updated versions of these documents. In no case shall occupancy be permitted without the above.

**4.2 Occupancy.** Resident agrees to occupy the Residence assigned on or before \_\_\_\_\_. In the event the Resident does not occupy the Residence on this assigned date, Resident shall be obligated to pay the applicable monthly fee, from the assigned occupancy date to the actual date of occupancy. The Residence shall be occupied solely by the Resident(s) herein. There shall be no occupancy by non-residents. No guest, other than a family member, should occupy a Residence for longer than one week without prior approval of the Executive Director. Responsibility for the conduct and other actions by the Resident's guest(s) is the responsibility of the resident.

**4.3 Policies and Procedures.** Resident will abide by Summit Square's policies and procedures and such reasonable amendments, modifications and changes of these policies and procedures as may hereafter be adopted by Summit Square. Any policies and procedures adopted by Summit Square shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

**4.4 Survivor.** If this Agreement is executed by Residents who are husband and wife, or are otherwise related either by blood or by friendship, it is understood that upon the death of one Resident, all rights hereunder shall vest in, and all obligations hereunder shall transfer to the surviving Resident to the same extent as if such surviving Resident had been sole and only Resident under the terms of this Agreement, provided that the survivor can demonstrate his or her ability to continue to meet the financial terms of this agreement. In the event the survivor is unable or unwilling to do so, they will be subject to termination of this agreement.

**4.5 Relocation or Death of Resident(s).** This Agreement does not create any interest in the real estate owned by Summit Square, and this occupancy privilege shall not inure to the use or benefit of the heirs, assignees, or representatives of residents and, upon the relocation or death of the last surviving Residents all rights of occupancy under this Agreement shall terminate.

**4.6 Resident's Inability to Pay.** The resident(s) shall be required to provide a complete update to their financial statements prior to moving to another level of care within Summit Square. A move to a higher level of care could be denied if the Resident would not pass financial qualification and their inability to do so was result of abnormal gifting or other diversion of assets subsequent to the Resident's original financial statement and qualification. If the Resident or surviving Resident is unable to meet his or her financial obligations to Summit Square, the Resident agrees to liquidate personal assets in order to meet their obligations hereunder. The Resident will also furnish to Summit Square sufficient financial information that will justify that the Resident is unable to pay the total Monthly Fee and other charges. Once the Resident satisfactorily establishes facts to justify the need for such financial assistance, Summit Square may, if it can do so without impairing the ability of Summit Square to operate on a sound financial basis, subsidize the Resident's Monthly Fee. In the event financial assistance is granted, the Resident shall be liable to Summit Square for the full amount of the subsidy received by the Resident, which will be charged against the Resident's Entrance Fee refund, if any, and to the extent of any deficiency amount thereafter, shall be due and payable at such time as the Resident has sufficient funds therefore, and otherwise shall be due and payable from and enforceable against the Resident's estate. In the case of Summit Square subsidizing the Resident's Monthly fee, Summit Square reserves the right to require the Resident to transfer to a smaller Residence when available, in order to reduce the Monthly Fee. Failure of the Resident to pay the Monthly Fee or to qualify for financial assistance may result in the Resident's loss of occupancy of the Residence as outlined in this agreement.

**4.7 Financial Statements.** To ensure Summit Square's ongoing ability to plan for future needs of residents who outlive their resources, it is important to anticipate, as much as practicable, what those obligations will be. Therefore, Resident agrees to provide an updated and complete financial statement, along with associated documentation, as requested every three (3) years.

**4.8 Right of Entry.** Employees of Summit Square shall have the right to enter the Residence (a) at all reasonable times for inspection and to perform housekeeping and maintenance functions and (b) at any time to respond to fire or medical alerts and for other emergency purposes.

**4.9 Removal of Property.** In the event of withdrawal, death, or permanent transfer of a Resident, including permanent transfer to Assisted Living or the Health Care Center, or upon termination of this Agreement, all of the Resident's property shall be removed from the previously occupied Residence within 30 days by an individual designated by the Resident or the Resident's Attorney-in-Fact. Summit Square shall impose the applicable Monthly Fee until said Resident's property is removed and the Residence is released to Summit Square. Summit Square shall be entitled to reduce an amortized Entry Fee refund, if any, by 2% per month until the property is removed. Summit Square may opt to move, store or dispose the items subject to a fee. Summit Square will not be responsible for loss or damage to the Resident's belongings.

**4.10 Damage or Loss of Property.** Although Summit Square will exercise reasonable care in providing effective security, the Resident is encouraged to insure his/her property against casualty and theft loss, should he/she desire such insurance protection. Summit Square shall not be responsible for damage to or loss of any of the Resident's property by casualty, theft, or other cause.

**4.11 Tobacco-Free Policy.** Summit Square is committed to providing the healthiest possible environment for all its residents, employees and visitors. Effective March 1, 2018, Summit Square became a tobacco-free community and adopted a tobacco-free policy that applies to all residents, employees, volunteers, vendors and contractors. Tobacco use of any type is prohibited and includes cigarettes, cigars, pipes, snuff, chewing tobacco and vapor products such as e-cigarettes and other related products used to simulate smoking. This policy applies to all property owned and/or leased by Summit Square (e.g., personal residences, parking lots, grounds, public areas, company cars and resident cars parked on the Summit Square campus), as well as adjacent property. Residents not adhering to the policy will be assessed for damages caused by tobacco products and the cost of such will be paid by the Resident or may be subtracted from the entrance fee refund, if applicable.

## 5. TRANSFER AND SURRENDER OF RIGHT OF OCCUPANCY

**5.1 Physical and Mental Health Requirements of Resident.** As a condition of occupancy at Summit Square, the Resident shall be physically and mentally capable of performing routine activities of daily living and able to respond appropriately to emergency situations. If Summit Square determines in its sole discretion that the Resident is unable to comply with these requirements or the Resident's physical or mental illness causes the Resident's continued presence at Summit Square to be detrimental to the health or safety of his/herself or others,

Summit Square reserves the right to transfer the Resident to an appropriate level of care within Summit Square or transfer the Resident to an appropriate institution or facility. While at such an institution or facility the Resident shall continue to pay the monthly fee. In the event of a transfer the provision of Section 5.2 shall apply.

**5.2 Temporary Transfer from Summit Square.** When Resident suffers any physical or mental condition for which Summit Square is not permitted to provide care within the requirements of law, or when his/her presence is deemed detrimental to the health or safety of his/herself, other Residents, or staff, or when Summit Square determines such action to be in the best interests of the Resident, Summit Square shall have authority, in consultation with the Resident's Responsible Party, to transfer Resident to another facility or institution, public or private, suitable for such cases. Such a transfer shall not be a termination, either voluntary or involuntary, of this contract. In the event that the condition requiring transfer of the Resident is not temporary in nature, the Residence shall be released.

**5.3 Exchange Between Residences.** Residents may transfer to or exchange residences with the prior approval of the Executive Director. Requests will be considered based on the Policies and Procedures of Summit Square.

**5.4 Permanent Surrender of Right of Occupancy.** The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residence and to move to a level of care that would best meet his/her needs (such determination to be made by the Summit Square Resident Review Committee):

- (a) Limited mobility
- (b) Limited vision
- (c) Failing general health that precludes Resident from Independent Living due to his/her inability to cook, clean, bathe, and secure groceries and supplies
- (d) Loss of mental faculties to a degree where living independently poses a hazard to his/her health or to the health of the community.

This process may be initiated by:

- (a) Recommendation of Resident Review Committee
- (b) Recommendation of family physician
- (c) In consultation with family members
- (d) By the Executive Director and Resident Review Committee
- (e) At the request and desire of the Resident

If a Resident needs to move to a higher level of care or out of Summit Square, the Executive Director and Resident Review Committee in consultation with the responsible party will collaborate to reach a decision in the best interests of the Resident. The final decision will be Summit Square's.

A Resident will be allowed to reside in his/her residence described in this Agreement as long as he/she does not suffer from any physical or mental condition as described above; continues to pay the applicable monthly fee and other charges; and cancellation of this Occupancy Agreement has not occurred as provided for herein.

**5.5 Cancellation of Agreement.** Summit Square shall not cancel this Occupancy Agreement with the Resident without good cause. Good cause shall be limited to: proof that Resident is a danger to him/herself or others; nonpayment of the Monthly Fee or other charges; repeated conduct by the Resident that interferes with other Residents' quiet enjoyment of Summit Square; persistent refusal to comply with Summit Square's written policies and procedures; a material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related financial or medical information which, if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by Summit Square will be provided to the Resident and his/her attorney-in-fact.

**5.6 Opportunity to Cure.** Where applicable, an opportunity will be given to cure, within a 30-day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

**5.7 Voluntary Cancellation by Resident.** Resident shall give a sixty (60) day written notice prior to voluntary cancellation of this agreement. If Resident fails to give the proper notice, he/she agrees that Summit Square shall charge its normal fees for the 60-day period.

## **6. Co-Occupancy and/or Marriage**

**6.1 Marriage and/or Co-occupancy with a Non-Resident.** When a current Resident marries and brings his/her spouse to Summit Square, there will be an additional Monthly fee for the second Resident. Summit Square will honor its Agreement with the original Resident. At the termination of that agreement, the surviving spouse may negotiate his/her own Agreement. This charge will be at the current rate charged to other Residents. The surviving spouse must meet Summit

Square's entrance requirements. If the surviving spouse cannot meet the admissions criteria, the Admissions Committee will deny continued residency. In such event, the right of the surviving spouse to occupy said Residence shall cease and terminate, and the residence shall be deemed fully surrendered to Summit Square.

**6.2 Marriage or Co-Occupancy with a Current Resident.** In the event that the Co-Occupant is already a Resident of Summit Square, this Agreement and the Co-Occupant's Agreement shall be cancelled, and the Resident and Co-occupant will enter into a new Agreement with Summit Square. If the Resident remains in the current Residence and the Co-Occupant moves into the Resident's residence, there will be a second person monthly fee for the Resident's Co-Occupant based on his or her contract type. This charge will be at the current rate charged to other Residents.

**6.3 Separation of Residents.** In the event two current Residents decided to occupy separate residences, the following options are available:

**6.3.1** If both choose to remain as Residents and therefore need separate Residences, the Resident moving to a new Residence will be obligated to pay the then current single person's Monthly Fee for the selected Residence.

**6.2.2** If one Resident desires to move out of Summit Square, the other Resident may remain in the current Residence or move to a new Residence, subject to the terms and conditions of this Agreement. If the remaining Resident stays in the current Residence, the Resident shall pay the single person Monthly Fee for the residence.

## 7. MISCELLANEOUS

**7.1 Further Assurances.** The Resident, for himself/herself, his/her heirs, personal representatives and assigns, agrees to execute and deliver to Summit Square such legal instruments as may be requisite to carry out the provisions of this Agreement.

**7.2 Representations.** The application and the statements of finances and health history of Resident filed with Summit Square are incorporated in this contract by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof. Resident's breach or

misrepresentation may result in (a) cancellation of this Agreement, or (b) transfer as provided in Section 5 of this Agreement.

**7.3 Responsibility for Protection of the Resident's Property.** Summit Square shall not be responsible for the loss of any personal property belonging to the Resident due to theft, fire or any other cause. The Resident shall have the responsibility, at the Resident's own expense, of insuring the Resident's property against such risks under a tenant's or homeowner's insurance policy.

**7.4 Accident Caused by the Resident.** The Resident shall indemnify and hold the Community harmless from any claims, investigations, proceedings or lawsuits, including all damages, costs, expenses, reasonable attorney's fee and court costs, resulting from, attributable to or in any way connected with the negligent or intentional act or omissions of the Resident. The Resident shall obtain liability insurance to cover such situations.

**7.5 Responsibility for Damages.** Any harm or damages to the real or personal property of Summit Square caused in whole or in part by the Resident shall be charged to and paid for by the Resident. Summit Square assumes by this Agreement no responsibility for any harm or damage done to the person or property of the Resident by another resident or by any other person or entity. To the extent permitted by law, the Resident also hereby releases and discharges Summit Square from any and all claims for personal injury or property damage suffered by the Resident which are alleged to or actually arise from or relate to, in whole or in part, Summit Square's assistance to, supervision or care of other residents.

**7.6 Renovations and Additions to the Campus.** From time to time, Summit Square may decide to renovate, demolish and add to its facilities. Resident agrees that he or she anticipates such activities, and they shall not constitute a nuisance or give rise to any cause of action on account of noise, dust, vibration, or any other inconvenience. Resident also agrees these activities by Summit Square shall not constitute a breach by Summit Square of this Agreement or any other obligation owed to the Resident. Resident further agrees not to maintain any action against Summit Square to enjoin it from renovating, demolishing or adding to its facilities.

**7.7 Non-Discrimination.** Marital status, race, sex, national origin, disability, nor faith has no bearing upon the offer, acceptance or termination of residence at Summit Square.

**7.8 Whole and Binding Agreement.** The Resident has received this Agreement and has had the opportunity to have it reviewed by his or her attorney or

financial advisor. The parties agree that this Agreement and the Disclosure Statement contain the entire agreement. This Agreement is binding on the Resident and Summit Square and all parties who lawfully succeed to their rights or take their places.

THE RESIDENT SHALL HAVE THE RIGHT TO RESCIND THIS AGREEMENT, without penalty or forfeiture, within seven (7) days after making an initial deposit executing this Agreement. The Resident shall not be required to move into Summit Square before the expiration of the seven (7) day period.

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

## SIGNATURES

PRINT NAME:

SUNNYSIDE PRESBYTERIAN HOME

---

By: \_\_\_\_\_

“Summit Square”

PRINT NAME:

---

By: \_\_\_\_\_

“Resident”

---

By: \_\_\_\_\_

“Resident”

I hereby acknowledge I/we have received the following:

A complete copy of this Occupancy Agreement

A copy of the Resident's Handbook

Signed:

---

Resident

---

Attorney-in-Fact, if applicable

# Exhibit C

## Schedule of Entrance and Monthly Fees



## ASSISTED LIVING, MEMORY SUPPORT & SKILLED NURSING

### 2024 Rates\*

#### ASSISTED LIVING

	Daily	Monthly**
Private Room.....	\$273	\$8,304
Deluxe Room.....	\$297	\$9,034
2nd Person.....	\$149	\$4,532

#### MEMORY SUPPORT

Private Room.....	\$309	\$9,399
-------------------	-------	---------

#### HEALTH CARE

Semi-Private Room .....	\$355	\$10,798
Private Room.....	\$388	\$11,802

\* All rates are subject to change.

\*\* Monthly amount represents the average monthly rate (365 days/12 months) for illustrative purposes only. Summit Square applies room and board charges on a daily basis and therefore, the actual monthly rate will be higher or lower based on the actual number of days in the month.

# CATERED LIVING APARTMENT FEE SCHEDULE\* 2024

	Entrance Fee Type I	Entrance Fee Type II	Entrance Fee Type III	Monthly Fee	Rental Monthly Fee
Cherry II (Studio)	\$57,660	\$76,830	\$86,490	\$2,932	\$3,695
Chinquapin I (1 BR/1 BA)	\$62,830	\$82,000	\$94,245	\$3,152	\$3,970
Southern Magnolia I or II (1 BR/1 BA)	\$68,800	\$87,970	\$103,200	\$3,357	\$4,275
Birch I or II (1 or 2 BR/1 or 1.5 BA)	\$101,600	\$120,770	\$152,400	\$4,009	\$5,245
2nd Person Fee**	\$19,040	\$38,210	\$28,560	\$1,464	\$1,660

## Catered Living Services & Amenities

In addition to the Services & Amenities available to all residents (see Services & Amenities page in collateral), the following services are included in the Catered Living Apartment monthly service fee:

- Three daily meals
- Personal laundry service
- Bed making

## Nursing Services & Amenities

The following nursing services are available for **an additional \$1,150 per person, per month:**

- Routine bathing and dressing assistance
- Medication administration
- Blood pressure checks
- Routine nail care
- Missed meal checks
- Occasional monitoring during illness
- Available 12 hours a day and for emergencies

\* Only available in select, licensed apartments

\*\* Only applies to double occupancy apartments

NOTE: Once a residence is reserved with a 5% deposit, the Entrance Fee is no longer subject to change.

Effective as of 01/01/2024. Prices subject to change.



# ENTRANCE AND MONTHLY FEE SCHEDULE\*

## 2024

APARTMENTS	Entrance Fee Type I	Entrance Fee Type II	Entrance Fee Type III	Monthly Fee	Rental** Monthly Fee
Cherry (Studio)	\$57,660	\$76,830	\$86,490	\$2,303	\$3,065
Chinquapin (1 BR/1 BA)	\$62,830	\$82,000	\$94,245	\$2,523	\$3,341
Southern Magnolia (1 BR/1 BA)	\$68,800	\$87,970	\$103,200	\$2,727	\$3,645
Chestnut (1 BR/1 BA)	\$95,480	\$114,650	\$143,220	\$3,275	\$4,425
Birch (2 BR/1 or 1.5 BA)	\$101,600	\$120,770	\$152,400	\$3,380	\$4,616
Willow (1 BR/1 or 1.5 BA)	\$106,470	\$125,640	\$159,705	\$3,668	\$5,108
Maple (1 or 2 BR/1.5 BA/Den)	\$133,270	\$152,440	\$199,905	\$3,740	N/A
Hickory (2 BR/2 BA/Balcony)	\$155,510	\$174,680	\$233,265	\$4,101	N/A
Aspen (2 BR/2 BA/Balcony)	\$205,980	\$225,150	\$308,970	\$4,624	N/A
2nd Person Fee	\$19,040	\$38,210	\$28,560	\$835	\$1,030
<b>PATIO HOMES</b>					
Red Bud (2 BR/1.5 BA)	\$153,900	\$173,070	\$230,850	\$1,926	N/A
2nd Person Fee	\$19,430	\$38,600	\$29,145	\$390	N/A

Assisted Living Private Room	\$273 Per Day	\$8,304 monthly
Assisted Living Deluxe Room	\$297 Per Day	\$9,034 monthly
2nd Person Rate	\$149 Per Day	\$4,532 monthly
Health Care Semi-Private Room	\$355 Per Day	\$10,798 monthly
Health Care Private Room	\$388 Per Day	\$11,802 monthly
Memory Support-Private Room	\$309 Per Day	\$9,399 monthly

\* Once a residence is reserved with a 5% deposit, the Entrance Fee is no longer subject to change.

\*\* Rental options are available only on select units.



Effective as of 01/01/2024. Prices subject to change.

# Exhibit D

## Audited Financial Statements

**SUNNYSIDE PRESBYTERIAN HOME**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2023 AND 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](http://CLAconnect.com)

**SUNNYSIDE PRESBYTERIAN HOME  
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YEARS ENDED DECEMBER 31, 2023 AND 2022**

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Sunnyside Presbyterian Home  
Harrisonburg, Virginia

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of Sunnyside Presbyterian Home, which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunnyside Presbyterian Home of December 31, 2023 and 2022, and the results of its 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 Financial Statements section of our report. We are required to be independent of Sunnyside Presbyterian Home and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

In performing an audit in accordance with GAAS, we:

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

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

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The balance sheet by division and statement of operations by division are presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

King of Prussia, Pennsylvania  
April 24, 2024

**SUNNYSIDE PRESBYTERIAN HOME  
BALANCE SHEETS  
DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,436,046	\$ 1,633,722
Cash and Cash Equivalents - Resident Funds	22,442	27,704
Accounts Receivable	1,128,516	1,389,043
Allowance for Credit Losses	(284,804)	(238,746)
Other Receivables	103,629	57,197
Pledges and Gifts Receivable	200	200
Inventories	395,395	422,932
Prepaid Expenses	798,764	690,928
Total Current Assets	<u>3,600,188</u>	<u>3,982,980</u>
<b>ASSETS LIMITED AS TO USE</b>		
Externally Designated by Donor Restriction	5,901,132	5,459,058
Externally Restricted by the Terms of the Bond Agreement	-	344,911
Internally Designated by Board of Trustees	<u>15,741,109</u>	<u>13,111,602</u>
Total Assets Limited as to Use	<u>21,642,241</u>	<u>18,915,571</u>
<b>INVESTMENTS</b>	39,276,128	35,065,328
<b>PROPERTY, PLANT, AND EQUIPMENT, LESS ACCUMULATED DEPRECIATION OF \$139,444,356 IN 2023 AND \$131,806,489 IN 2022</b>	87,710,814	84,169,491
<b>OTHER ASSETS</b>		
Investment in Joint Venture	531,597	557,513
Investment in First Choice Home Health	788,311	1,097,004
Investment in MedRehab Collective	75,000	-
Miscellaneous	<u>101,510</u>	<u>101,510</u>
Total Other Assets	<u>1,496,418</u>	<u>1,756,027</u>
<b>FAIR VALUE INTEREST RATE SWAP AGREEMENTS</b>	<u>650,773</u>	<u>915,501</u>
<b>Total Assets</b>	<b><u>\$ 154,376,562</u></b>	<b><u>\$ 144,804,898</u></b>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
BALANCE SHEETS (CONTINUED)  
DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current Portion of Long-Term Debt	\$ 2,165,420	\$ 2,041,179
Current Portion of Annuities Payable	86,275	91,085
Accounts Payable	1,895,169	1,403,813
Retainage Payable	127,480	-
Accrued Expenses:		
Salaries and Wages	1,873,787	1,820,383
Other	603,905	761,269
Refundable Advance Fees	880,000	864,000
Resident Funds Payable	22,442	27,704
Total Current Liabilities	<u>7,654,478</u>	<u>7,009,433</u>
<b>ADVANCE FEES AND DEPOSITS</b>		
Advance Fee Deposits	971,052	458,050
Deferred Revenue from Advance Fees	47,847,534	46,482,908
Refundable Entrance Fee Liability	3,424,069	3,749,951
Total Advance Fees and Deposits	<u>52,242,655</u>	<u>50,690,909</u>
<b>LONG-TERM DEBT, LESS CURRENT PORTION</b>	43,550,598	46,048,670
<b>ANNUITIES PAYABLE, LESS CURRENT PORTION</b>	<u>288,311</u>	<u>315,334</u>
Total Liabilities	103,736,042	104,064,346
<b>NET ASSETS</b>		
Without Donor Restrictions	44,739,388	35,281,494
With Donor Restrictions	5,901,132	5,459,058
Total Net Assets	<u>50,640,520</u>	<u>40,740,552</u>
Total Liabilities and Net Assets	<u><u>\$ 154,376,562</u></u>	<u><u>\$ 144,804,898</u></u>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
STATEMENTS OF OPERATIONS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<b>2023</b>	<b>2022</b>
<b>REVENUE, GAINS, AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS</b>		
Residential Services, Including Amortization of Deferred Revenue from Advance Fees of \$7,497,133 and \$6,540,715 in 2023 and 2022, Respectively	\$ 21,195,982	\$ 19,775,626
Health Care Services Revenue	16,941,150	15,357,159
Assisted Living Revenue	12,432,596	12,278,771
Unrestricted Gifts and Donations	1,051,118	836,123
Investment Income	1,179,325	2,530,328
Pharmacy Revenue	69,483	269,452
Provider Relief Funds - HHS	-	1,031,623
Employee Retention Credit Grant Revenue	2,791,017	-
Other	1,552,745	1,231,666
Total Revenue, Gains, and Other Support Without Donor Restrictions	<u>57,213,416</u>	<u>53,310,748</u>
<b>EXPENSES</b>		
Nursing Services:		
Health Care	9,076,585	9,788,894
Assisted Living	4,995,379	4,712,495
Clinical	1,994,077	449,946
Dining Services	5,981,081	5,564,864
Resident Services	3,357,590	3,176,273
Environmental Services	5,247,709	5,103,306
General and Administrative Services	10,252,480	9,618,027
Credit Loss Expense	81,800	26,649
Utilities	2,359,138	2,516,983
Pharmacy Services	74,805	229,183
Fund Raising Expenses	275,679	264,096
Depreciation	8,102,005	8,015,732
Interest Expense	1,510,741	1,453,890
Other	367,940	431,472
Total Expenses	<u>53,677,009</u>	<u>51,351,810</u>
<b>OPERATING INCOME</b>	<b>3,536,407</b>	<b>1,958,938</b>
<b>NONOPERATING GAINS (LOSSES)</b>		
Change in Present Value of Annuities Payable	(51,358)	(11,138)
Unrealized Gain (Loss) on Equity Securities	4,428,677	(6,212,911)
Change in Fair Value Interest Rate Swap Agreements	(264,728)	1,789,387
Loss on Extinguishment of Debt	-	(74,095)
Total Nonoperating Gains (Losses)	<u>4,112,591</u>	<u>(4,508,757)</u>
<b>EXCESS (DEFICIT) OF REVENUE, GAINS, AND OTHER SUPPORT OVER EXPENSES</b>	<b>7,648,998</b>	<b>(2,549,819)</b>
<b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Net Assets Released from Restrictions for Capital Expenditures and Other Reclassifications	-	25,100
Net Unrealized Gain (Loss) on Fixed Income Investments	<u>1,808,896</u>	<u>(2,297,926)</u>
<b>INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 9,457,894</b>	<b>\$ (4,822,645)</b>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
STATEMENTS OF CHANGES IN NET ASSETS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
<b>BALANCE - JANUARY 1, 2022</b>	<b>\$ 40,104,139</b>	<b>\$ 6,705,354</b>	<b>\$ 46,809,493</b>
Deficit of Revenue, Gains, and Other Support Over Expenses	(2,549,819)	-	(2,549,819)
Net Unrealized Loss on Fixed Income Investments	(2,297,926)	-	(2,297,926)
Restricted Gifts and Contributions	-	43,812	43,812
Change in Present Value of Perpetual Trusts	-	(1,208,795)	(1,208,795)
Net Assets Released from Restrictions for Operating Expenses and Other Reclassifications	-	(56,213)	(56,213)
Net Assets Released from Restrictions for Capital Expenditures	<u>25,100</u>	<u>(25,100)</u>	<u>-</u>
Increase in Net Assets	<u>(4,822,645)</u>	<u>(1,246,296)</u>	<u>(6,068,941)</u>
<b>BALANCE - DECEMBER 31, 2022</b>	<b>35,281,494</b>	<b>5,459,058</b>	<b>40,740,552</b>
Excess of Revenue, Gains, and Other Support Over Expenses	7,648,998	-	7,648,998
Net Unrealized Gain on Fixed Income Investments	1,808,896	-	1,808,896
Restricted Gifts and Contributions	-	46,199	46,199
Change in Present Value of Perpetual Trusts	-	405,136	405,136
Net Assets Released from Restrictions for Operating Expenses and Other Reclassifications	-	(9,261)	(9,261)
Net Assets Released from Restrictions for Capital Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Decrease in Net Assets	<u>9,457,894</u>	<u>442,074</u>	<u>9,899,968</u>
<b>BALANCE - DECEMBER 31, 2023</b>	<b><u>\$ 44,739,388</u></b>	<b><u>\$ 5,901,132</u></b>	<b><u>\$ 50,640,520</u></b>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ 9,899,968	\$ (6,068,941)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:		
Amortization of Deferred Revenue from Advance Fees	(7,497,133)	(6,540,715)
Depreciation	8,102,005	8,015,732
Amortization of Deferred Financing Costs	41,186	39,683
Provision for Credit Loss Expense	81,800	26,649
Net Unrealized (Gain) Loss on Investments	(6,237,573)	8,510,837
Change in Fair Value Interest Rate Swap Agreements	264,728	(1,789,387)
Change in Present Value of Charitable Remainder and Perpetual Trusts	(405,136)	1,208,795
Loss on Extinguishment of Debt	-	74,095
Original Issue Premium Amortization	(317,799)	(329,436)
Net Change in Investment in Joint Venture	25,916	18,526
Net Change in Investment in First Choice Home Health	308,693	23,302
Net Change in Investment in MedRehab Collective	(75,000)	-
Changes in Operating Assets and Liabilities:		
Accounts Receivable	224,785	1,535,643
Other Receivables	(46,432)	(23,265)
Pledges and Gifts Receivable	-	6,400
Inventories	27,537	83,802
Prepaid Expenses	(107,836)	(117,990)
Accounts Payable	284,526	257,101
Salaries and Wages	53,404	256,929
Other Accrued Expenses	(157,364)	325,971
Deferred Advance - Provider Relief Funds	-	(1,031,622)
Advance Fee Deposits	529,002	146,458
Resident Funds	(5,262)	(3,368)
Net Cash Provided by Operating Activities	<u>4,994,015</u>	<u>4,625,199</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Property, Plant, and Equipment	(11,309,018)	(8,492,518)
Purchase of Investments and Assets Limited as to Use	(5,790,341)	(17,090,919)
Sale of Investments and Assets Limited as to Use	<u>5,152,897</u>	<u>12,996,825</u>
Net Cash Used by Investing Activities	<u>(11,946,462)</u>	<u>(12,586,612)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Entrance Fees, Net of Refunds	8,535,877	5,580,859
Repayment of Long-Term Debt	(2,040,518)	(2,069,228)
Change in Annuities Payable	(31,833)	(48,931)
Net Cash Provided by Financing Activities	<u>6,406,826</u>	<u>3,462,700</u>
<b>NET DECREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>		
	(545,621)	(4,498,713)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>2,008,073</u>	<u>6,506,786</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>	<u><u>\$ 1,462,452</u></u>	<u><u>\$ 2,008,073</u></u>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH TO BALANCE SHEET</b>		
Cash and Cash Equivalents	\$ 1,436,046	\$ 1,633,722
Cash and Cash Equivalents - Resident Funds	22,442	27,704
Restricted Cash Included in Assets Limited to Use -		
Donor Restricted	3,964	1,736
Restricted Cash Included in Assets Limited to Use -		
Bond Agreements	-	344,911
Cash, Cash Equivalents, and Restricted Cash -		
End of Year	<u>\$ 1,462,452</u>	<u>\$ 2,008,073</u>
<b>NONCASH ITEMS</b>		
Net Change in Investment in Joint Venture	\$ (25,916)	\$ (18,526)
Net Change in Investment in First Choice Home Health	(308,693)	(23,302)
Net Change in Investment in MedRehab Collective	75,000	-
Total Noncash Items	<u>\$ (259,609)</u>	<u>\$ (41,828)</u>

See accompanying Notes to Financial Statements.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**The Reporting Entity**

Sunnyside Presbyterian Home (Sunnyside or the Company) is a nonstock, nonprofit corporation founded in 1955. The Company operates Sunnyside Presbyterian Retirement Community (SPRC) in Rockingham County, Virginia; King's Grant Retirement Community (King's Grant) in Henry County, Virginia; and Summit Square Retirement Community (Summit Square) in Waynesboro, Virginia. The University Plaza Shopping Center (University Plaza) is located in Harrisonburg, Virginia and provides office space for its corporate functions in support of the Company's three life plan communities.

The Company enters into contracts with its independent living residents, most of which require payment of a one-time advance entrance fee and a monthly maintenance fee (see Note 7). None of the occupancy agreements entitle the residents to an interest in the real estate or other property owned by the Company.

**Use of Estimates**

The preparation of 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 financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash, Cash Equivalents, and Restricted Cash**

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company had no cash equivalents at December 31, 2023 and 2022. Restricted cash is that which cannot be accessed based on restrictions related to either passage of time or occurrence of events. Documentation related to category-based capital expenditures must be submitted in order to have cash transferred out of the restricted accounts.

**Accounts Receivable and Allowance for Credit Losses**

Accounts receivable are reported net of an allowance for credit losses to represent the Company's estimate of expected losses at the balance sheet date. The adequacy of the Company's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary.

Residents are not required to provide collateral for services rendered. Payment for services is required within 30 days of receipt of invoice or as the claim is submitted for third-party payors. Accounts more than 90 days past due are individually analyzed for collectability. When all collection efforts have been exhausted, the account is written off against the related allowance.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Accounts Receivable and Allowance for Credit Losses (Continued)**

Management believes the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. At December 31, 2023 and 2022, the allowance for estimate of expected credit losses was approximately \$285,000 and \$239,000, respectively.

Changes in the allowance for credit losses for the year ended December 31, 2023 was as follows:

Allowance for Credit Losses	
Balance, Beginning of Year	\$ 238,746
Provision for Losses	81,800
Amounts Written Off	(40,405)
Recoveries	4,663
Balance, End of Year	<u><u>\$ 284,804</u></u>

The opening and closing balances in Accounts Receivable were as follows:

	Accounts Receivable
Balance as of January 1, 2022	\$ 2,988,587
Balance as of December 31, 2022	1,381,609
Balance as of December 31, 2023	1,126,650

**Inventories**

Inventories of drugs and supplies are stated at the lower of cost (first-in, first-out) or net realizable value.

**Assets Limited as to Use**

Assets limited as to use consist of externally designated donor-imposed assets with restrictions as well as internally designated assets set aside for specific purposes. Assets limited as to use are carried at fair value and consist primarily of investments in cash, debt securities, equity securities, and beneficial interests in trusts. Assets limited as to use also consist of escrow cash restricted to fund the acquisition, construction, and equipping of certain capital improvements.

**Investments**

Investments include primarily investments in debt and equity securities that are not intended for current operations and are classified as noncurrent assets.

Investments are carried at fair value. The fair values of marketable equity securities, bonds, and other investments are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Cost used in the determination of gains and losses on sales of investments is based on specific cost of the investment sold, adjusted for any other-than-temporary declines in the value of investments.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Investments (Continued)**

Realized gains and losses (including interest and dividends) in investments which are not restricted are classified on the statements of operations as investment income (loss) included in operating income. Unrealized gains and loss from equity securities which are not restricted are classified on the statement of operations in nonoperating gains and losses. Unrealized gains and losses from nonequity securities which are not restricted are classified on the statements of operations in other changes in net assets without donor restrictions. Realized and unrealized gains and losses from nonequity securities, interest and dividends from investments which are restricted are not presented on the statements of operations but instead are reflected in the statements of changes in net assets.

**Property, Plant, and Equipment**

Property, plant, and equipment are stated on the basis of cost. Donated property and equipment are recorded at fair market value at the date of contribution. Improvements that materially extend the useful lives of the assets are capitalized. General repairs and maintenance costs are expensed as incurred. The Company capitalizes all expenditures for property and equipment costing \$1,500 or more (collectively in the case of bulk purchases) and having useful lives greater than one year.

Depreciation is computed using the straight-line method at rates calculated to amortize the cost of the assets over their estimated useful lives. The general range of estimated useful lives for buildings and land improvements is 20 to 40 years and the general range for equipment is 5 to 20 years.

The Company records impairment losses on property and equipment when events and circumstances indicate that it is probable that the assets are impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of those assets. Based on management's estimation process, no impairment losses have been recorded as of December 31, 2023 and 2022.

**Deferred Financing Costs**

The Company deferred all financing costs incurred in connection with the issuance of its long-term debt. Such costs are being amortized on the straight-line method, a method which approximates the effective interest rate method, over the term of the related indebtedness. These costs are amortized as a component of interest expense for the years ended December 31, 2023 and 2022 in the amount of \$41,186 and \$39,683, respectively.

**Investment in Joint Venture**

The Company's investment in joint venture of Virginia Senior Care Group, LLC is carried at cost and adjusted for the owner's share of the earnings, losses, and distributions. As of December 31, 2023 and 2022, the Company owned approximately 7.31% and 7.25% of the joint venture, respectively.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Investment in First Choice Home Health Services, LLC**

The Company owns 1/3 interest in First Choice Home Health Services, LLC (First Choice), a Virginia limited liability company. Virginia Mennonite Retirement Community, Inc. (VMRC) and Bridgewater Healthcare, Inc. (Bridgewater) own equal shares of the remaining interest in First Choice. The Company has accounted for its investment in First Choice using the equity method of accounting. The Company's equity share of income of First Choice was \$14,142 and \$322,835 for 2023 and 2022, respectively, which was included in the investment income line of the statements of operations. The Company received a dividend from First Choice of \$322,835 in 2023 and \$346,137 in 2022.

**Deferred Revenue from Advance Fees and Refundable Entrance Fees**

Deferred revenue from advance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Deferred revenue from advance fees represents the fees received at the time a resident enters into an entrance fee admission agreement and moves into to one of the communities. The fees are amortized under the straight-line method over estimated life expectancy of each resident or couple (time-based method), adjusted annually. If a resident terminates their contract before the actuarial estimate of their life expectancy, the Company will recognize the balance of unamortized entrance fee, net of any refunds due, currently.

Refundable Entrance Fee Liability represents the refundable option upon the death of the resident or if the resident leaves the community and terminates their contract. Refunds are generally payable upon the lesser of six month's or when the resident's unit is reoccupied. Refundable amounts under these contracts are not amortized to revenue.

The opening and closing balances in Deferred Revenue were as follows:

	<u>Amortizable Entrance Fees</u>
Balance as of January 1, 2022	\$ 47,297,641
Balance as of December 31, 2022	46,482,908
Balance as of December 31, 2023	47,847,534

**Obligation to Provide Future Services**

The Company annually calculates the present value of the net cost of future services and use of facilities to be provided to current residents, net of monthly fees anticipated, 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 use of facilities exceeds the deferred revenue from advance fees, a liability is recorded (obligation to provide future services). This calculation did not result in a liability as of December 31, 2023 and 2022.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Fair Value Interest Rate Swap Agreements**

Interest rate swap agreements are carried at fair value as either other assets or liabilities on the balance sheets. The Company uses these derivative instruments to manage its risk related to interest rate movements. The Company's interest rate risk strategy is to stabilize cash flow requirements by maintaining the interest rate swap agreements to effectively convert a portion of its variable-rate debt to a fixed rate (see Note 6).

**Net Assets**

*Net Assets Without Donor Restrictions* – Net Assets Without Donor Restrictions consist of investments and other amounts that are available for use in carrying out the Company's mission and include those expendable resources which have been designated for special use by the board of trustees.

*Net Assets With Donor Restrictions* – Net Assets With Donor Restrictions are those whose use has been limited by donors to a specific time period or purpose.

*Other Net Assets With Donor Restrictions* – Other Net Assets With Donor Restrictions have been restricted by donors to be maintained in perpetuity.

**Residential Services Revenue**

Resident services revenue is reported at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing resident care. These amounts are due from residents, 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. Resident monthly fees are billed in advance, early in the month for that same month. Generally, all other billings to the residents and third-party payors are billed in arrears, early in the month for services performed during the previous month. Revenue is recognized as performance obligations are satisfied.

Residential services revenue is recorded at established rates with vacancies and absence allowances deducted to arrive at net residential services revenue. Monthly residential occupancy fees are recognized as revenue in the month of assessment. Deferred revenues from the amortization of advance fees (discussed above) are also included in residential services revenue.

Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time is recognized based on actual charges. The Company 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 facility receiving skilled nursing services or residents receiving services in the facility.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Residential Services Revenue (Continued)**

The Company measures the performance obligation from admission into the facility, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that resident, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to the residents. The Company does not believe it is required to provide additional goods or services related to that sale.

The Company 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 Company's policy and/or implicit price concessions provided to residents. The Company determines its estimates of contractual adjustments based on contractual agreements and its policies.

**Health Care and Assisted Living Services Revenue**

Health care services and assisted living revenues are reported at estimated net realizable amounts from residents, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

Health care services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Company is reimbursed at a prospective rate with final settlement determined after submission of annual cost reports by the Company and audits thereof by Medicaid. The Company's Medicaid cost reports have been audited by Medicaid through December 31, 2016.

Revenue from the Medicaid program accounted for approximately 13% and 17% of the Company's health care service revenues for the years ended December 31, 2023 and 2022, respectively. Laws and regulations governing the Medicaid program are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Occupancy Percentages**

During the years ended December 31, 2023 and 2022, the occupancy percentages and the percentages of Skilled Nursing Center (SNF) residents covered under the Medicaid program, Medicare program, and private pay were as follows:

	2023		
	Sunnyside	King's Grant	Summit Square
Medicaid	28%	6%	2%
Medicare	14%	9%	22%
Private Pay and Other	58%	85%	76%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

  

	2022		
	Sunnyside	King's Grant	Summit Square
Medicaid	38%	3%	16%
Medicare	12%	14%	24%
Private Pay and Other	50%	83%	60%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

**Composition of Resident Care Service Revenue**

The Company has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, geography, service lines, method of reimbursement, and timing of when revenue is recognized. Tables providing details of these factors are presented below.

The composition of Health Care Services revenue by primary payor for the years ended December 31 is as follows:

	2023	2022
Medicaid	\$ 2,181,259	\$ 2,661,411
Medicare	4,171,224	4,070,417
Managed Care	360,764	287,215
Private Pay	10,227,903	8,338,116
Total Health Care Services Revenue	<u>\$ 16,941,150</u>	<u>\$ 15,357,159</u>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Composition of Resident Care Service Revenue (Continued)**

The composition of net resident service revenue based on its service lines, method of reimbursement, and timing of revenue recognition for the years ended December 31 are as follows:

	2023				
	Sunnyside Presbyterian Retirement Community	King's Grant Retirement Community	Summit Square	University Plaza	Total
<b>Service Lines:</b>					
Health Care Services	\$ 10,009,486	\$ 4,191,682	\$ 2,739,982	\$ -	\$ 16,941,150
Assisted Living	5,885,528	3,358,706	3,188,362	-	12,432,596
Independent Living	12,205,860	5,696,677	3,293,445	-	21,195,982
Retail Sales	429,836	170,931	103,505	-	704,272
Other	264,117	171,429	192,174	290,236	917,956
<b>Total</b>	<b><u>\$ 28,794,827</u></b>	<b><u>\$ 13,589,425</u></b>	<b><u>\$ 9,517,468</u></b>	<b><u>\$ 290,236</u></b>	<b><u>\$ 52,191,956</u></b>
<b>Method of Reimbursement:</b>					
Fee for Services	\$ 27,958,222	\$ 13,246,270	\$ 9,365,414	\$ -	\$ 50,569,907
Retail Sales	800,531	307,081	115,980	398,457	1,622,049
<b>Total</b>	<b><u>\$ 28,758,753</u></b>	<b><u>\$ 13,553,351</u></b>	<b><u>\$ 9,481,394</u></b>	<b><u>\$ 398,457</u></b>	<b><u>\$ 52,191,956</u></b>
<b>Timing of Revenue and Recognition:</b>					
Health Care Services					
Transferred Over Time	\$ 27,958,222	\$ 13,246,270	\$ 9,365,414	\$ -	\$ 50,569,907
Sales at Point in Time	800,531	307,081	115,980	398,457	1,622,049
<b>Total</b>	<b><u>\$ 28,758,753</u></b>	<b><u>\$ 13,553,351</u></b>	<b><u>\$ 9,481,394</u></b>	<b><u>\$ 398,457</u></b>	<b><u>\$ 52,191,956</u></b>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Composition of Resident Care Service Revenue (Continued)**

	2022				
	Sunnyside Presbyterian Retirement Community	King's Grant Retirement Community	Summit Square	University Plaza	Total
<b>Service Lines:</b>					
Health Care Services	\$ 9,059,588	\$ 3,757,037	\$ 2,540,534	\$ -	\$ 15,357,159
Assisted Living	6,025,098	3,256,653	2,997,020	-	12,278,771
Independent Living	11,699,452	5,262,604	2,813,570	-	19,775,626
Retail Sales	157,030	-	4,937	-	161,967
Other	778,253	88,701	173,797	261,489	1,302,240
<b>Total</b>	<b><u>\$ 27,719,421</u></b>	<b><u>\$ 12,364,995</u></b>	<b><u>\$ 8,529,858</u></b>	<b><u>\$ 261,489</u></b>	<b><u>\$ 48,875,763</u></b>
<b>Method of Reimbursement:</b>					
Fee for Services	\$ 26,847,009	\$ 12,156,884	\$ 8,343,392	\$ -	\$ 47,347,285
Retail Sales	872,412	208,111	186,466	261,489	1,528,478
<b>Total</b>	<b><u>\$ 27,719,421</u></b>	<b><u>\$ 12,364,995</u></b>	<b><u>\$ 8,529,858</u></b>	<b><u>\$ 261,489</u></b>	<b><u>\$ 48,875,763</u></b>
<b>Timing of Revenue and Recognition:</b>					
Health Care Services					
Transferred Over Time	\$ 26,847,009	\$ 12,156,884	\$ 8,343,392	\$ -	\$ 47,347,285
Sales at Point in Time	872,412	208,111	186,466	261,489	1,528,478
<b>Total</b>	<b><u>\$ 27,719,421</u></b>	<b><u>\$ 12,364,995</u></b>	<b><u>\$ 8,529,858</u></b>	<b><u>\$ 261,489</u></b>	<b><u>\$ 48,875,763</u></b>

**Contributed Support**

The Company has enjoyed a long history of providing care to residents in all levels of care who end up exhausting their personal resources. Once in assisted or nursing care, the Company continues its support along with funds that residents receive from governmental programs such as the Virginia Medical Assistance Program (Medicaid) for healthcare or Old Age Assistance Grants (Auxiliary Grant) for Assisted Living. The Company funded from contributed support approximately \$1,577,000 and \$1,663,000 in charity care and contractual adjustments for its residents in 2023 and 2022, respectively.

**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 support with donor restrictions 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 the restriction's purpose is accomplished, net assets with donor restrictions are reclassified as net assets released from restriction. If the assets released from restrictions were designated to offset an operating expense, the release is captured in other revenues on the statement of operations. If the assets released from restrictions were designated to fund a capital expenditure, the release is included in other changes in net assets without donor restrictions section of the statement of operations.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Indicator**

The Company's operating income includes all revenue, gains, expenses, and losses without donor restrictions for the reporting period except for nonoperating gains (losses) and other changes in net assets without donor restrictions. Nonoperating gains and losses principally include (as applicable) changes in the present value of annuities payable, unrealized gains and losses on equity securities, change in fair value of interest rate swap agreements and loss on extinguishment of long-term debt. Other changes in net assets without donor restrictions include activities that result in gains or losses unrelated to the Company's primary mission such as contributions of long-lived assets, unrealized gains and losses on investments from fixed income securities, other-than-temporary declines in the value of investments, and cumulative effects of changes in accounting principles.

**Reclassifications**

Certain items in the prior year financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the overall net assets of the Company.

**Income Taxes**

The Company has been granted exempt status relative to federal and state corporate income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state codes for its core operations. Operations related to its University Plaza facility which primarily consist of leasing and maintenance of retail space adjacent to the Company's corporate office are not exempt from income taxes.

**Professional Liability Insurance**

The Company's professional liability insurance is on the claims-made basis.

**Leases**

The Company determines if an arrangement is a lease at inception. If applicable, operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the balance sheets. If applicable, finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on our balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company did not have any operating or finance leases at the end of December 31, 2023 and 2022, respectively.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**New Accounting Pronouncements — Accounting Standards Update 2016-13**

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The main objective of the ASU is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in the ASU replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected losses, referred to as the current expected credit loss (CECL) model, and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The Company adopted this new guidance, as amended, utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Company's financial statements but did change how the allowance for credit losses is determined.

**New Accounting Pronouncements — ASU 2020-04**

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This new standard allows an entity to elect optional expedients and exceptions for applying United States Generally Accepted Accounting Principles (U.S. GAAP) to contracts, hedging relationships, and other transactions affected by reference rate reform upon the transition from the use of the London Interbank Offer Rate (LIBOR) to alternative reference rates. This standard provides this temporary election through December 31, 2022 (sunset date).

In December 2022, the FASB issued ASU No. 2022-06 to defer the sunset date of *Reference Rate Reform (Topic 848)*. This new standard allows an entity to elect not to apply certain modification accounting requirements to contracts affected by reference rate reform as entities transition from LIBOR to alternative reference rates. The standard provides this temporary election through December 31, 2024, and cannot be applied to contract modifications that occur after December 31, 2024.

The Company adopted the requirements of this guidance effective January 1, 2023, and has elected to apply the provisions of these standards to the beginning of the period of adoption.

The Company's loan agreements have LIBOR as a reference rate; however, the agreements also refer to an alternative reference rate that would be substituted should LIBOR be discontinued. During 2023, LIBOR was discontinued, and the loan agreements substituted LIBOR with the Secured Overnight Financing Rate (SOFR) as the new reference rate. No other changes were made to the original loans as a result of this transaction.

The Company elected the practical expedient to account for the refunding as if the modification was not substantial (continuation of the current contract) and not as an extinguishment.

These standards did not have an impact on the balance sheets, statements of operations and changes in net assets, nor the statements of cash flows.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

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

**Subsequent Events**

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through April 24, 2024, the date the financial statements were issued.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

As of December 31, 2023, Sunnyside has, based on normal expenditures, days cash on hand of 453 days. Financial assets available for general expenditure within one year of the balance sheet date, consist of the following:

	<u>2023</u>	<u>2022</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 1,436,046	\$ 1,633,722
Accounts Receivable, Net	843,712	1,150,297
Pledges and Gifts Receivable	200	200
Assets Limited As to Use:		
Externally Designated by Donor Restriction	5,901,132	5,459,058
Externally Restricted by the Terms of the Bond Agreement	-	344,911
Internally Designated by Board of Trustees	15,741,109	13,111,602
Investments	<u>39,276,128</u>	<u>35,065,328</u>
Total Financial Assets	<u>63,198,327</u>	<u>56,765,118</u>
Less: Amounts Not Available to be Used Within One Year or Which Are Restricted to Certain Events:		
Pledges and Gifts Receivable	200	200
Externally Designated by Donor Restriction	5,901,132	5,459,058
Externally Restricted by the Terms of the Bond Agreement	-	344,911
Financial Assets not Available to be Used Within One Year	<u>5,901,332</u>	<u>5,804,169</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$ 57,296,995</u>	<u>\$ 50,960,949</u>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 3 ASSETS LIMITED AS TO USE**

Assets limited as to use are summarized as follows:

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Externally Designated by Perpetual Donor Restriction:				
Beneficial Interest in Trust Funds	\$ 4,675,705	\$ 3,806,753	\$ 4,270,569	\$ 3,789,741
Marketable Equity Securities	100,461	95,723	100,461	109,450
Total	<u>4,776,166</u>	<u>3,902,476</u>	<u>4,371,030</u>	<u>3,899,191</u>
Externally Designated by Donors Subject to Timing Restrictions:				
Cash and Cash Equivalents	3,964	3,964	1,736	1,736
U.S. Government and Corporate Obligations	228,416	229,973	268,626	308,824
Marketable Equity Securities	892,586	837,943	817,666	874,782
Total	<u>1,124,966</u>	<u>1,071,880</u>	<u>1,088,028</u>	<u>1,185,342</u>
Internally Designated by Board of Trustees for Charitable Gift Annuities:				
Cash and Cash Equivalents	55,462	55,462	20,918	20,918
U.S. Government and Corporate Obligations	3,196,119	3,217,907	3,237,155	3,721,567
Marketable Equity Securities	12,489,528	11,724,949	9,853,529	10,541,807
Total	<u>15,741,109</u>	<u>14,998,318</u>	<u>13,111,602</u>	<u>14,284,292</u>
Externally Restricted by the Terms of the Bond Agreement for Capital Projects:				
Cash and Cash Equivalents	-	-	344,911	344,911
Total Assets Whose Use is Limited	<u>\$ 21,642,241</u>	<u>\$ 19,972,674</u>	<u>\$ 18,915,571</u>	<u>\$ 19,713,736</u>

**NOTE 4 INVESTMENTS**

Investments are summarized as follows:

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Cash and Cash Equivalents	\$ 624,982	\$ 624,982	\$ 1,087,556	\$ 1,087,556
U.S. Government and Corporate Obligations	9,538,572	9,590,549	10,880,023	12,006,569
Marketable Equity Securities	29,112,574	27,276,112	23,097,749	24,637,481
Total Investments	<u>\$ 39,276,128</u>	<u>\$ 37,491,643</u>	<u>\$ 35,065,328</u>	<u>\$ 37,731,606</u>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 4 INVESTMENTS (CONTINUED)**

Target prices reached with a number of underlying holdings within value-oriented investment funds triggered sales and recognized gains in 2023 and 2022. Proceeds from these sales primarily have been reinvested in the related funds. Management continually reviews its investment portfolio and evaluates whether declines in the fair value of securities should be considered other-than-temporary. Factored into this evaluation are the general and sector specific market conditions, the issuer's financial condition and near-term prospects, conditions in the issuer's industry, the recommendation of advisors, and the length of time and extent to which the market value has been less than cost.

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

Property, plant, and equipment consist of the following:

	<b>2023</b>	<b>2022</b>
Land and Land Improvements	\$ 13,595,244	\$ 13,343,675
Buildings	179,944,552	174,464,057
Equipment	22,974,129	21,594,701
Construction in Progress	10,641,245	6,573,547
Total	227,155,170	215,975,980
Less: Accumulated Depreciation	(139,444,356)	(131,806,489)
Property, Plant, and Equipment	<u>\$ 87,710,814</u>	<u>\$ 84,169,491</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$8,102,005 and \$8,015,732, respectively.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT**

Long-term debt consists of the following:

<u>Description</u>	<u>2023</u>	<u>2022</u>
Series 2020A Residential Care Facility Revenue and Refunding Bonds issued by the Economic Development Authority of Rockingham County, Virginia dated January 8, 2020 (Series 2020A Bonds)	\$ 24,721,393	\$ 25,623,059
Series 2020B Convertible Residential Care Facility Revenue Refunding Bond issued by the Economic Development Authority of the Town of Timberville, Virginia dated January 8, 2020 (Series 2020B Bond)	5,421,906	6,170,851
Series 2017 Bank Qualified Residential Care Facility Revenue Bond issued by the Economic Development Authority of Rockingham County, Virginia dated May 19, 2017 (BQ Rockingham County Loan)	12,635,432	12,855,464
2003 Taxable Bank Note Issued in July 2003 to BB&T (the 2003 Note). Interest was payable monthly at SOFR plus 1.75%	<u>317,060</u>	<u>487,596</u>
Long-Term Debt	43,095,791	45,136,970
Add: Unamortized Bond Premium Series 2020A	3,309,697	3,627,496
Less: Unamortized Debt Issuance Costs	(689,470)	(674,617)
Less: Current Portion of Long-Term Debt	<u>(2,165,420)</u>	<u>(2,041,179)</u>
Long-Term Debt, Less Current Portion	<u><u>\$ 43,550,598</u></u>	<u><u>\$ 46,048,670</u></u>

The bonds issued by the development authorities and purchased by U.S. Bank National Association (U.S. Bank or the Bank) and Branch Banking and Trust Company (BB&T) (now Truist or the Bank) underlie the BQ loans and the Fixed Rate Bonds discussed below. The authorities' rights, duties, and obligations of the bond notes between the Company and the authorities were assigned by the authorities to the Bank. These bonds effectively allow the Bank to issue these tax-exempt loans by utilizing the authority's tax-exempt status.

The Rockingham County BQ Loan, Series 2020B Bond, and the fix rate bonds have a first priority pledge of substantially all property and assets of the Company through a Master Trust Indenture except those with a pledged security relating to the 2003 taxable loan. This interest is pari-passu through the terms of the underlying bond trust indentures.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**2020A Bonds**

On January 8, 2020, the Company issued Fixed Rate Bonds (Series 2020A Bonds) in the total amount of \$32.9 million, with a par amount of \$28.3 million and a premium of \$4.6 million. The proceeds from these bonds were used to (1) refund the outstanding portion of the 2013 Timberville BQ Loan, the 2013 Waynesboro BQ Loan and the 2017 New Timberville BQ Loan which totaled \$22.4 million, (2) provide a project fund in the amount of \$10.0 million which is restricted for use to fund future capital projects at the Sunnyside campus, and (3) fund the cost of issuance and underwriters discount which totaled \$0.5 million. These Bonds are due from December 1, 2020 through December 1, 2039 for an interest rate 4.00% to 5.00% with a blended effective rate after considering the premium and cost of issuance of 2.90%. The cost of issuance will be amortized into interest expense over the term of the loan.

**2020B Loan**

Simultaneous with the issuance of the Series 2020A Bonds, the Economic Development Authority of the Town of Timberville, Virginia issued its Residential Care Facilities Revenue Refunding Bond, Series 2020B (Series 2020B Bond or 2020B loan) in the total amount of \$8.2 million for the benefit of the Company for the purpose of refunding the outstanding Harrisonburg Series 2013B Fixed Rate Bonds. The 2020B loan is held by Truist (formerly BB&T) and bear interest initially at the taxable variable rate equal to One-Month LIBOR plus 1.00% and matures on December 1, 2038 with Truist agreeing to hold the 2020B loan for the initial 12 years. During 2023, LIBOR was discontinued, and the loan agreement substituted LIBOR with SOFR as the new reference rate. The rate of interest was 5.14% and 5.17% at December 31, 2023 and 2022, respectively. The 2020B loan had a "Cinderella" feature permitting the taxable interest rate to convert to a tax-exempt interest rate on or about December 1, 2023, which coincided with the original call date of the 2013B Fixed Rate Bonds.

Certain conditions were to be satisfied for the conversion of the taxable interest rate to a tax-exempt interest rate, and the Company could not guarantee the occurrence of such events.

If such conditions were not satisfied, the 2020B loan would continue to bear interest at the taxable rate noted above. Providing these conditions were met, the interest rate after December 1, 2023 would convert to 79% of SOFR plus 0.8295%.

The proceeds noted above, together with the sinking fund balances related to the 2013B bonds which totaled \$1.1 million, were put on deposit to fund the \$9.2 million retirement of the 2013B fixed rate bonds and the \$0.2 million for the cost of issuance. In order for the retirement of the 2013B fixed rate bonds to occur in advance of the 2023 call date, the \$9.2 million escrow payment was required, which represents the present value of the principal and interest payments from January 2020 through the 2023 call date and the principal payoff at that time.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**2020B Loan (Continued)**

The \$0.2 million cost of issuance of the 2020B loan will be amortized into interest expense over the term of the loan.

Finally, the covenants for the 2020B loan were modified as follows:

- The debt to capitalization covenant of 60% was removed.
- The debt service coverage ratio of 1.20 and the days' cash on hand ratio of 150 will be tested annually at each fiscal year-end.
- The additional debt test will be modified to permit additional debt so long as after giving effect to such additional debt on a pro forma basis the Company is in compliance with a debt to capitalization ratio not in excess of 65%.

**Rockingham Series 2017 Bond Modification**

Simultaneous with the issuance of the Series 2020A Bonds Modification, the terms of the Rockingham Series 2017 Bond were modified to increase the applicable factor applied to One-Month LIBOR from 68% to 79%, to increase the credit spread from 0.795% to 0.8295% and to extend the holding period for 12 years from the date of modification. During 2023, LIBOR was discontinued, and the loan agreement substituted LIBOR with SOFR as the new reference rate.

Additionally, the covenants included in the 2017 Credit Agreement related to the Rockingham Series 2017 Bond were modified to agree to the covenants of 2020B the loan.

**Rockingham County Loan**

The Rockingham County Loan was issued on May 19, 2017 initially for an amount up to \$16 million. This is a tax-exempt bond purchased by BB&T from Rockingham County and advanced on a draw-down basis to the Company over the 18-month period ended October 31, 2018 to fund the acquisition, construction, and equipping of certain capital improvements at all three of our campuses.

The Company drew a total of \$13.8 million of this loan. Required principal payments were due monthly beginning in May 2018 and continue through December 2039. The rate of interest was 5.12% and 4.13% at December 31, 2023 and 2022, respectively.

**Taxable Bank Note**

The taxable bank note was issued in 2003 related to the University Plaza facility. Interest is payable monthly at LIBOR plus 1.75%. During 2023, LIBOR was discontinued, and the loan agreement substituted LIBOR with SOFR as the new reference rate. The rate of interest was 7.16% and 5.82% at December 31, 2023 and 2022, respectively. Principal payments average approximately \$11,100 between January 2019 and July 2025 with a final principal payment due August 2025 for \$846,000.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**Swap Agreements**

On September 29, 2017, the Company entered into an \$11 million forward swap agreement with an expiration date of May 1, 2027 (Interest Rate Swap Agreement – 4 below). This instrument hedges a portion of the variable interest rate risk related to the bank debt by effectively converting interest payments from variable rates to a fixed rate over the term of the swap agreement.

On January 8, 2020, the Company entered into two additional SWAP agreements in order to synthetically fix the interest on the 2020B loan. The salient terms of these agreements are as follows:

- The effective date on the first SWAP is January 8, 2020 and the termination date is September 5, 2023 and it exchanges the LIBOR plus 1.0% variable rate of the 2020B loan with a fixed rate of 2.651% (Interest Rate Swap Agreement – 2 below).
- The effective date on the second SWAP is September 5, 2023 and the termination date is January 5, 2032 and it exchanges the anticipated term of 79% of LIBOR plus 0.8295% variable rate of the 2020B loan with a fixed rate of 2.425% (Interest Rate Swap Agreement – 3 below).
- The notional amount of these swap agreements mirrors the outstanding principal amount of the 2020B Loan at each month-end during their respective terms.

During 2023, LIBOR was discontinued, and the loan agreement substituted LIBOR with SOFR as the new reference rate.

At December 31, 2023 and 2022, the Company had interest rate swaps outstanding with the following terms:

	Notional Amount	Expiration Date	Sunnyside Pays	Sunnyside Receives	Fair Value	
					2023	2022
Interest Rate Swap Agreement - 1	\$ -	9/5/2023	Fixed 2.65%	100% of SOFR	\$ -	\$ (139,731)
Interest Rate Swap Agreement - 2	5,425,210	1/5/2032	Fixed 2.43%	79% of SOFR	(389,149)	(387,332)
Interest Rate Swap Agreement - 3	11,000,000	5/1/2027	Fixed 1.71%	68% of SOFR	(261,624)	(388,438)
Total	<u>\$ 25,425,210</u>				<u>\$ (650,773)</u>	<u>\$ (915,501)</u>

At December 31, 2023, the fair market value of the interest rate swap agreements indicated above is the estimated amount that the Company would receive from a sale of similar interest rate swap agreements as of December 31, 2023.

Interest payments receivable and payable under the terms of the interest rate swap agreements are accrued over the period to which the payment relates, and the net difference is treated as an adjustment of interest expense.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

**Future Principal Payment Schedule**

The scheduled principal repayments on long-term debt for the next five years and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 2,165,420
2025	2,257,511
2026	2,314,978
2027	2,394,406
2028	2,472,838
2027 and Thereafter	<u>31,490,638</u>
Total	<u><u>\$ 43,095,791</u></u>

During 2023 and 2022, the Company made cash-basis interest payments on its long-term debt of approximately \$1,472,000 and \$1,407,000, respectively. No interest expense was capitalized as of December 31, 2023 and 2022.

**Debt Covenants**

The Corporation is required to meet certain financial covenants under the security agreements related to the bond issue. There are financial and operational covenants associated with the bond. As of December 31, 2023, management is not aware of any instances of noncompliance with the required covenants.

**NOTE 7 ADVANCE FEES AND DEPOSITS**

The Company uses three different styles of contracts. The first group of contracts is fee for service and has three types. Type I is fee for service with the resident paying for assisted living or healthcare on a per diem basis at the current rates. Type II is an enhanced fee for service contract where the resident pays a higher entrance fee and receives up to 90 days of care in assisted living or healthcare for no additional fees. Type III is the same as Type I with the exception that a 50% refund of the entrance fee is provided upon death or withdrawal from the community. Additionally, the Company offers a 90% refundable contract on a limited basis.

The remaining two styles of contracts are a rental contract and a lifecare contract. A rental contract does not require the resident to pay an entrance fee but instead pays a higher monthly service fee. Rental contracts are offered on a limited basis. A lifecare contract requires the resident to pay a higher entrance fee and high monthly fees but the monthly fees never increase (aside from normal annual increases) regardless of the resident's level of care.

**SUNNYSIDE PRESBYTERIAN HOME  
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**NOTE 7 ADVANCE FEES AND DEPOSITS (CONTINUED)**

A refundable deposit of 10% of the advance fee is made at the time a residency agreement is executed. Advance fees received from residents upon admission are subject to the refund provisions of residents' agreements. Refund periods expire ratably over 50 months from the residents' date of entrance for the most prevalent contract type (Type I contract).

The total amount that is refundable for all contracts for which refunds can be applicable amounted to \$18.9 million and \$18.3 million at December 31, 2023 and 2022, respectively. Amounts expected to be refunded to current residents over the next year are classified in current liabilities and, based on actuarial projections, were approximately \$880,000 and \$864,000 for the years ended December 31, 2023 and 2022. Actual refunds to residents during 2023 totaled approximately \$1,388,000.

**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

	<u>2023</u>	<u>2022</u>
Subject to Expenditure for Specific Purpose		
Residential Services:		
Nursing Education	\$ 421,251	\$ 444,956
Garden Fund	184,057	165,170
Fellowship	465,591	415,591
Other Residential Services	54,067	62,311
Net Assets Restricted in Trusts and Annuities:		
Beneficial Interest in Perpetual Trust	4,675,705	4,270,569
Annuity Funds	100,461	100,461
Total Net Assets With Donor Restrictions	<u>\$ 5,901,132</u>	<u>\$ 5,459,058</u>

Net assets of \$4,776,166 and \$4,371,030 at December 31, 2023 and 2022, respectively, are restricted to investments in perpetuity, the income from which is expendable to support residential services.

**NOTE 9 PENSION PLANS**

The Company offers a 401(k) defined contribution plan. All employees over 21 years of age who have worked over 1,000 hours are eligible to participate in the 401(k) plan at the beginning of the quarter following the employee's one-year anniversary of service. Effective January 1, 2009, the Company contributes an amount equal to 100% of the first 4% of employee contributions. In addition, the Company may make an additional discretionary contribution, the amount of which may vary from year-to-year. Total expense related to the plan was \$658,960 and \$483,925 in 2023 and 2022, respectively.

**SUNNYSIDE PRESBYTERIAN HOME  
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**NOTE 10 DEFERRED GIVING ARRANGEMENTS**

The Company offers donors the opportunity to enter into a charitable gift annuity contract in return for the transfer of an agreed-upon amount of funds by the donor to the Company. These contracts provide payments of a specified annual allowance (annuity) to the donor from the funds and related investment earnings. The funds revert to the Company upon the death of the donor. Annuities payable represent the present value of the expected aggregate liability to participants (discounted at 2.81% and 2.56% in 2023 and 2022, respectively).

The Company is the beneficiary of certain charitable remainder trusts. Under the arrangements, the donors have established and funded trusts with specified distributions to be made to designated beneficiaries over the term of the trust. Upon termination of the trust, the Company receives its proportionate share of the trust assets.

**NOTE 11 COVID-19 STIMULUS FUNDING**

**Provider Relief Funds**

Due 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 Sunnyside were \$3,119,686 between 2020 and 2021. The PRF's are subject to certain restrictions on eligible expenses or uses and reporting requirements. Sunnyside recognized \$2,088,063, as Provider Relief Funds - HHS grant revenue on the statements of operations within operating income between 2020 and 2021. The remaining portion of \$1,031,622 was recognized as a deferred advance liability on the balance sheets in 2021. At December 31, 2022, Sunnyside recognized \$1,031,622 of the deferred advance liability as Provider Relief Funds – HHS grant revenue on the statements of operations. No provider relief funds were received during the years ended December 31, 2023 and 2022.

Management believes eligible expenses or uses and reporting requirements were met with respect to the distributed grant funds and therefore the amounts have been recognized appropriately as of December 31, 2023 and 2022.

**Employee Retention Credit**

The Employee Retention Credit (ERC) is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. On December 27, 2020, the Consolidated Appropriations Act (CAA) was signed into law. Among other provisions, the CAA expanded the eligibility for ERC to include more entities as well as extending ERC into calendar year 2021 including the first, second and third calendar quarters. Furthermore, the refundable tax credit for the calendar year 2021 was expanded to 70% of the qualified wages. CAA provided these entities the ability to retroactively recover payroll taxes from earlier in 2020 during which they were previously ineligible. This is done by retroactively applying for the credit.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 11 COVID-19 STIMULUS FUNDING (CONTINUED)**

**Employee Retention Credit (Continued)**

Employers, including tax-exempt organizations, are eligible for the credit if they operate a trade or business during calendar year 2020 and 2021 and experience either the full or partial suspension of the operation of their trade or 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. During the year ended December 31, 2023 and 2022, the Company determined it met the compliance requirements and conditions of the Employee Retention Credit (ERC) program. The Company recognized \$2,791,017 and \$-0-, as Employee Retention Credit Grant Revenue, on the statement of operations for the years ended December 31, 2023 and 2022, respectively. The Company paid approximately \$134,500 to the public accounting firm that assisted with the filing of the ERC credit application.

There is a possibility that upon subsequent review that the Internal Revenue Service could reach a different conclusion regarding the Company's eligibility to retain the ERC credits received. That could result in repayment of the credits, interest, and potential penalties. The amount of liability, if any, from potential ineligibility cannot be determined with certainty.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 12 FUNCTIONAL EXPENSES**

The Company provides residential services to the residents of its Harrisonburg, Waynesboro, and Martinsville facilities which include independent living, assisted living, and certain nursing services. All costs are directly attributable to their respective functions. Expenses related to providing these services are as follows:

	Total	Residential Services	Health Care Services	Fundraising	General and Administrative
Expenses Incurred for the Year Ended December 31, 2023					
Were for:					
Salaries and Benefits	\$ 30,513,773	\$ 10,132,593	\$ 12,976,784	\$ 241,422	\$ 7,162,974
Supplies and Materials	3,923,757	2,640,194	1,216,396	19,948	47,219
Depreciation	8,102,005	7,083,443	644,929	692	372,941
Interest	1,510,741	-	1,483,126	-	27,615
Insurance	909,461	-	-	-	909,461
Marketing	183,626	183,626	-	-	-
Occupancy	2,694,460	2,467,491	-	600	226,369
Purchased Services	3,312,034	862,429	1,593,634	9,845	846,126
Real Estate Taxes	690,226	-	-	-	690,226
Repairs and Maintenance	1,247,345	1,247,345	-	-	-
Other	589,581	84,519	129,068	3,864	372,130
Total	<u>\$ 53,677,009</u>	<u>\$ 24,701,640</u>	<u>\$ 18,043,937</u>	<u>\$ 276,371</u>	<u>\$ 10,655,061</u>

	Total	Residential Services	Health Care Services	Fundraising	General and Administrative
Expenses Incurred for the Year Ended December 31, 2022					
Were for:					
Salaries and Benefits	\$ 26,664,930	\$ 9,350,199	\$ 10,372,486	\$ 231,239	\$ 6,711,006
Supplies and Materials	5,362,155	2,442,064	2,855,151	18,981	45,959
Depreciation	8,015,732	7,091,123	596,387	692	327,530
Interest	1,453,890	-	1,432,526	-	21,364
Insurance	825,037	-	-	-	825,037
Marketing	223,268	223,268	-	-	-
Occupancy	2,843,420	2,615,806	-	600	227,014
Purchased Services	3,539,936	1,135,126	1,608,388	9,365	787,057
Real Estate Taxes	626,538	-	-	-	626,538
Repairs and Maintenance	1,239,365	1,239,365	-	-	-
Other	557,539	89,216	126,637	3,911	337,775
Total	<u>\$ 51,351,810</u>	<u>\$ 24,186,167</u>	<u>\$ 16,991,575</u>	<u>\$ 264,788</u>	<u>\$ 9,909,280</u>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 13 RENTAL INCOME**

In July 2000, the Company purchased the University Plaza Shopping Center. They currently hold several operating leases for this property. The carrying value of the leased property is \$4,938,522 and \$4,813,841 as of December 31, 2023 and 2022, respectively, less accumulated depreciation of \$2,863,194 and \$2,715,761, respectively. The leases expire on various future dates and renewals are negotiated on an ongoing basis. Current contracts have minimum future rentals are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 282,937
2025	132,844
2026	70,521
2027	55,686
2028 and Thereafter	43,133
<b>Total</b>	<b><u>\$ 585,121</u></b>

Rental income received for the years ended December 31, 2023 and 2022 was approximately \$290,000 and \$261,000, respectively.

**NOTE 14 CONCENTRATION OF CREDIT RISK**

The Company maintains its cash accounts at commercial banks. The cash balances in each bank are insured by the Federal Deposit Insurance Corporation (FDIC). At times, cash in bank may exceed FDIC insurable limits. The funds on deposit in brokerage accounts are insured by the SIPC up to \$500,000. Investments, which include government and agency securities, fixed income mutual funds, equity mutual funds, and corporate bonds, are not concentrated in any corporation or industry.

Accounts receivable consists of amounts due from patients, their insurers, or governmental agencies. The mix of receivables from patients and third-party payors for the years ended December 31 is as follows:

	2023	2022
Medicare	32 %	23 %
Medicaid	-	4
Other Third-Party Payors	27	19
Private Pay	41	54
<b>Total Accounts Receivable</b>	<b><u>100 %</u></b>	<b><u>100 %</u></b>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 15 FAIR VALUE MEASUREMENTS**

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Company 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 Company 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.

*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.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
<b>Assets Limited as to Use:</b>				
U.S. Government and				
Corporate Obligations	\$ 3,424,535	\$ -	\$ -	\$ 3,424,535
Marketable Equity Securities	13,482,575	-	-	13,482,575
Beneficial Interest in				
Perpetual Trusts	-	-	4,675,705	4,675,705
Total	<u><u>\$ 16,907,110</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,675,705</u></u>	<u><u>\$ 21,582,815</u></u>
<b>Investments:</b>				
U.S. Government and				
Corporate Obligations	\$ 9,538,572	\$ -	\$ -	\$ 9,538,572
Marketable Equity Securities	29,112,574	-	-	29,112,574
Total	<u><u>\$ 38,651,146</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 38,651,146</u></u>
<b>Fair Value Interest Rate</b>				
Swap Agreements	<u><u>\$ -</u></u>	<u><u>\$ 650,773</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 650,773</u></u>

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets Limited as to Use:				
U.S. Government and Corporate Obligations	\$ 3,505,781	\$ -	\$ -	\$ 3,505,781
Marketable Equity Securities	10,771,656	-	-	10,771,656
Beneficial Interest in Perpetual Trusts	-	-	4,270,569	4,270,569
Total	<u>\$ 14,277,437</u>	<u>\$ -</u>	<u>\$ 4,270,569</u>	<u>\$ 18,548,006</u>
Investments:				
U.S. Government and Corporate Obligations	\$ 10,880,023	\$ -	\$ -	\$ 10,880,023
Marketable Equity Securities	23,097,749	-	-	23,097,749
Total	<u>\$ 33,977,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,977,772</u>
Fair Value Interest Rate Swap Agreements	<u>\$ -</u>	<u>\$ 915,501</u>	<u>\$ -</u>	<u>\$ 915,501</u>

**Assets Limited as to Use and Investments**

Assets limited as to use are recorded at fair value on a recurring basis. 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, as well as U.S. government and corporate obligations and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Fair values of the beneficial interest in trusts are determined based upon securities valued using Level 1 inputs assets less the present value of estimated future payments to the recipient. The present value is based upon an estimated discount rate and applicable mortality tables and, accordingly, is classified as using a Level 3 input.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 15 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Assets Limited as to Use and Investments (Continued)**

The following table provides a summary of unobservable inputs related to the Company's beneficial interest in perpetual trusts as of December 31, 2023:

Instrument	Fair Value		Principal Valuation Technique	Unobservable Inputs
	2023	2022		
Beneficial Interest In Perpetual Trust	\$ 4,675,705	\$ 4,270,569	PV of Trust Investments	Term of Distributions

There were no purchases, sales or transfers for the year ended December 31, 2023 related to the beneficial interest in perpetual trusts.

**Fair Value Interest Rate Swap Agreements**

Fair values for interest rate swap contracts are determined based upon good faith estimates of mid-market transactions using valuation models, such as bid-offer spreads and credit reserves and, accordingly, are classified as using Level 2 inputs.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

**Litigation**

From time-to-time, the Company is involved in legal actions arising in the ordinary course of business. No liabilities have been accrued based on these matters in the accompanying financial statements.

**Compliance**

The Company operates in the health care industry and may be subject to legal proceedings and claims from time-to-time that arise in the course of providing its services. The Company maintains malpractice insurance coverage on an occurrence basis, which provides coverage for claims occurring during the policy year. Management has determined that no provision is required 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, and government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse.

**Other**

In the normal course of business, there could be various outstanding claims and contingent liabilities. No contingent liabilities are reflected in the accompanying financial statements. No such liabilities have been asserted and, therefore, no estimate of loss, if any, is determinable.

**SUNNYSIDE PRESBYTERIAN HOME  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 16 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Professional Liability Insurance**

The Company has a group insurance agreement with other Virginia facilities for general liability, property, professional liability, and workers' compensation insurance. 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. 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 reinsurance component with a third party. Management has not recorded any liabilities related to this policy as they are not aware of any underfunding within the pool.

**SUNNYSIDE PRESBYTERIAN HOME**  
**BALANCE SHEET BY DIVISION**  
**DECEMBER 31, 2023**

ASSETS	Sunnyside Presbyterian Retirement Community	King's Grant Retirement Community	Summit Square	University Plaza	Corporate	Eliminations	Total
<b>CURRENT ASSETS</b>							
Cash and Cash Equivalents	\$ 1,165,634	\$ 154,541	\$ 84,550	\$ 5,418	\$ 25,903	\$ -	\$ 1,436,046
Cash and Cash Equivalents - Resident Funds	6,071	14,847	1,524	-	-	-	22,442
Accounts Receivable	791,577	149,090	187,849	-	-	-	1,128,516
Allowance for Credit Losses	(209,307)	(58,857)	(16,640)	-	-	-	(284,804)
Other Receivables	72,673	6	-	-	30,950	-	103,629
Pledges and Gifts Receivable	-	-	-	-	200	-	200
Inventories	286,083	43,952	65,360	-	-	-	395,395
Prepaid Expenses	725,065	8,645	8,079	-	56,975	-	798,764
Due from Other Funds	43,559,081	1,575,321	-	-	5,845,399	(50,979,801)	-
Total Current Assets	<u>46,396,877</u>	<u>1,887,545</u>	<u>330,722</u>	<u>5,418</u>	<u>5,959,427</u>	<u>(50,979,801)</u>	<u>3,600,188</u>
<b>ASSETS LIMITED AS TO USE</b>							
Externally Designated by Donor Restriction	421,251	-	-	-	5,479,881	-	5,901,132
Internally Designated by Board of Trustees	2,657,942	-	-	-	13,083,167	-	15,741,109
Total Assets Limited as to Use	<u>3,079,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,563,048</u>	<u>-</u>	<u>21,642,241</u>
<b>INVESTMENTS</b>							
	-	13,691,680	3,940,074	-	21,644,374	-	39,276,128
<b>PROPERTY, PLANT, AND EQUIPMENT, NET</b>							
	57,086,623	12,714,273	15,555,738	2,075,329	278,851	-	87,710,814
<b>OTHER ASSETS</b>							
Investment in Joint Venture	-	-	-	-	531,597	-	531,597
Investment in First Choice Home Health	-	-	-	-	788,311	-	788,311
Investment in MedRehab Collective	-	-	-	-	75,000	-	75,000
Miscellaneous	-	101,510	-	-	-	-	101,510
Total Other Assets	<u>-</u>	<u>101,510</u>	<u>-</u>	<u>-</u>	<u>1,394,908</u>	<u>-</u>	<u>1,496,418</u>
<b>FAIR VALUE INTEREST RATE SWAP AGREEMENTS</b>							
	358,647	244,536	47,590	-	-	-	650,773
Total Assets	<u>\$ 106,921,340</u>	<u>\$ 28,639,544</u>	<u>\$ 19,874,124</u>	<u>\$ 2,080,747</u>	<u>\$ 47,840,608</u>	<u>\$ (50,979,801)</u>	<u>\$ 154,376,562</u>

**SUNNYSIDE PRESBYTERIAN HOME  
BALANCE SHEET BY DIVISION (CONTINUED)  
DECEMBER 31, 2023**

	Sunnyside Presbyterian Retirement Community	King's Grant Retirement Community	Summit Square	University Plaza	Corporate	Eliminations	Total
<b>LIABILITIES AND NET ASSETS</b>							
<b>CURRENT LIABILITIES</b>							
Current Portion of Long-Term Debt	\$ 1,241,552	\$ 344,162	\$ 394,757	\$ 184,949	\$ -	\$ -	\$ 2,165,420
Current Portion of Annuities Payable	-	-	-	-	86,275	-	86,275
Accounts Payable	1,893,334	-	-	1,835	-	-	1,895,169
Retainage Payable	102,063	-	25,417	-	-	-	127,480
Accrued Salaries and Wages	729,241	464,736	276,087	-	403,723	-	1,873,787
Other Accrued Expenses	531,433	45,308	13,262	9,047	4,855	-	603,905
Refundable Advance Fees	598,000	262,000	20,000	-	-	-	880,000
Resident Funds Payable	6,071	14,847	1,524	-	-	-	22,442
Due to Other Funds	7,498,964	5,956,355	1,259,047	3,162,716	33,102,719	(50,979,801)	-
Total Current Liabilities	<u>12,600,658</u>	<u>7,087,408</u>	<u>1,990,094</u>	<u>3,358,547</u>	<u>33,597,572</u>	<u>(50,979,801)</u>	<u>7,654,478</u>
<b>ADVANCE FEES AND DEPOSITS</b>							
Advance Fee Deposits	691,623	137,901	124,580	16,948	-	-	971,052
Deferred Revenue from Advance Fees	33,218,515	11,150,003	3,479,016	-	-	-	47,847,534
Refundable Entrance Fee Liability	2,230,664	418,887	774,518	-	-	-	3,424,069
Total Advance Fees and Deposits	<u>36,140,802</u>	<u>11,706,791</u>	<u>4,378,114</u>	<u>16,948</u>	<u>-</u>	<u>-</u>	<u>52,242,655</u>
<b>LONG-TERM DEBT, LESS CURRENT PORTION</b>							
Long-Term Debt, Less Current Portion	29,112,441	7,546,568	6,759,478	132,111	-	-	43,550,598
<b>ANNUITIES PAYABLE, LESS CURRENT PORTION</b>							
Long-Term Annuities Payable, Less Current Portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>288,311</u>	<u>-</u>	<u>288,311</u>
Total Liabilities	<u>77,853,901</u>	<u>26,340,767</u>	<u>13,127,686</u>	<u>3,507,606</u>	<u>33,885,883</u>	<u>(50,979,801)</u>	<u>103,736,042</u>
<b>NET ASSETS</b>							
Without Donor Restrictions	28,646,188	2,298,777	6,746,438	(1,426,859)	8,474,844	-	44,739,388
With Donor Restrictions	421,251	-	-	-	5,479,881	-	5,901,132
Total Net Assets (Deficits)	<u>29,067,439</u>	<u>2,298,777</u>	<u>6,746,438</u>	<u>(1,426,859)</u>	<u>13,954,725</u>	<u>-</u>	<u>50,640,520</u>
Total Liabilities and Net Assets	<u>\$ 106,921,340</u>	<u>\$ 28,639,544</u>	<u>\$ 19,874,124</u>	<u>\$ 2,080,747</u>	<u>\$ 47,840,608</u>	<u>\$ (50,979,801)</u>	<u>\$ 154,376,562</u>

**SUNNYSIDE PRESBYTERIAN HOME**  
**STATEMENT OF OPERATIONS BY DIVISION**  
**YEAR ENDED DECEMBER 31, 2023**

	Sunnyside Presbyterian Retirement Community	King's Grant Retirement Community	Summit Square	University Plaza	Corporate	Eliminations	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS</b>							
Residential Services, Including Amortization of Deferred Revenue from Advance Fees of \$7,497,133							
Health Care Services Revenue	\$ 12,205,860	\$ 5,696,677	\$ 3,293,445	\$ -	\$ -	\$ -	\$ 21,195,982
Assisted Living Revenue	10,009,486	4,191,682	2,739,982	-	-	-	16,941,150
Unrestricted Gifts and Donations	5,885,528	3,358,706	3,188,362	-	-	-	12,432,596
Investment Income	-	-	-	-	1,051,118	-	1,051,118
Fellowship Revenue	52,565	200,808	57,818	-	868,134	-	1,179,325
Facility Management Fee	1,257,893	221,707	115,787	-	-	(1,595,387)	-
Pharmacy Revenue	-	-	-	-	2,595,756	(2,595,756)	-
Employee Retention Credit Grant Revenue	62,647	-	6,836	-	-	-	69,483
Other	1,420,001	756,806	500,510	-	113,700	-	2,791,017
Total Revenue, Gains, and Other Support Without Donor Restrictions	631,306	342,360	288,843	290,236	-	-	1,552,745
	31,525,286	14,768,746	10,191,583	290,236	4,628,708	(4,191,143)	57,213,416
<b>EXPENSES</b>							
Nursing Services:							
Health Care	5,320,867	2,233,020	1,522,698	-	-	-	9,076,585
Assisted Living	2,391,802	1,586,975	1,016,602	-	-	-	4,995,379
Clinical	1,332,968	317,894	343,215	-	-	-	1,994,077
Dining Services	3,066,332	1,697,071	1,217,678	-	-	-	5,981,081
Resident Services	1,593,698	992,946	770,946	-	-	-	3,357,590
Environmental Services	2,969,232	1,285,040	932,475	60,962	-	-	5,247,709
General and Administrative Services	5,302,175	2,673,077	1,729,395	56,257	3,087,332	(2,595,756)	10,252,480
Credit Loss Expense	55,155	15,102	11,543	-	-	-	81,800
Utilities	1,345,317	590,003	397,085	26,733	-	-	2,359,138
Pharmacy Services	74,805	-	-	-	-	-	74,805
Fund Raising Expenses	-	-	-	-	275,679	-	275,679
Depreciation	5,230,471	1,553,520	1,106,492	147,432	64,090	-	8,102,005
Interest Expense	987,412	255,331	240,383	27,615	-	-	1,510,741
Fellowship Expense	-	-	-	-	1,595,387	(1,595,387)	-
Other	184,304	90,030	88,127	-	5,479	-	367,940
Total Expenses	29,854,538	13,290,009	9,376,639	318,999	5,027,967	(4,191,143)	53,677,009
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 1,670,748</b>	<b>\$ 1,478,737</b>	<b>\$ 814,944</b>	<b>\$ (28,763)</b>	<b>\$ (399,259)</b>	<b>\$ -</b>	<b>\$ 3,536,407</b>

# Exhibit E

2023 & 2024  
Proforma Statement of Revenue  
and Support, Expenses and  
Capital Additions

***SUNNYSIDE COMMUNITIES***

***2024 Budget - Disclosure Statement***

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**SUNNYSIDE COMMUNITIES**  
**2024 OPERATING BUDGET**  
 (with comparisons)

**Entrance Fees and Refunds Assumptions**

		2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs '23 Actual
		\$		\$		\$	%
<b>Consolidated</b>	New entrance fees	8,402,665	8,987,847	7,169,507	9,837,578	9,296,772	(540,806) -5.5%
	Entrance fees refunded	(693,900)	(806,349)	(733,266)	(1,216,325)	(825,000)	391,325 -32.2%
	Net entrance fees	<u>7,708,765</u>	<u>8,181,498</u>	<u>6,436,241</u>	<u>8,621,253</u>	<u>8,471,772</u>	<u>(149,481)</u> -1.7%
<b>Sunnyside</b>	New entrance fees	6,302,326	6,229,133	4,063,083	4,867,610	5,791,230	923,620 19.0%
	Entrance fees refunded	(367,034)	(540,701)	(313,772)	(826,498)	(500,000)	326,498 -39.5%
	Net entrance fees	<u>5,935,292</u>	<u>5,688,432</u>	<u>3,749,311</u>	<u>4,041,112</u>	<u>5,291,230</u>	<u>1,250,118</u> 30.9%
<b>Kings Grant</b>	New entrance fees	1,410,866	2,297,993	2,463,350	3,431,501	2,847,207	(584,294) -17.0%
	Entrance fees refunded	(205,957)	(217,370)	(22,577)	(362,377)	(250,000)	112,377 -31.0%
	Net entrance fees	<u>1,204,909</u>	<u>2,080,623</u>	<u>2,440,773</u>	<u>3,069,124</u>	<u>2,597,207</u>	<u>(471,917)</u> -15.4%
<b>Summit Square</b>	New entrance fees	689,474	460,721	643,074	1,538,467	658,335	(880,132) -57.2%
	Entrance fees refunded	(120,909)	(48,278)	(396,917)	(27,450)	(75,000)	(47,550) 173.2%
	Net entrance fees	<u>568,565</u>	<u>412,443</u>	<u>246,157</u>	<u>1,511,017</u>	<u>583,335</u>	<u>(927,682)</u> -61.4%

**SUNNYSIDE COMMUNITIES**

**Consolidated Statement of Operations Budget Comparison**  
(Unaudited, with comparisons)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs 23 Actual	
<b>Revenue</b>						\$	%
Residential services	\$ 18,842,918	\$ 18,944,272	\$ 19,787,216	\$ 21,238,674	\$ 21,995,375	\$ 756,701	3.6%
Assisted living	10,396,013	11,079,779	12,267,183	12,389,925	12,501,093	111,168	0.9%
Health services	14,133,508	15,172,324	15,357,159	16,941,150	17,983,356	1,042,206	6.2%
Investment income	1,948,996	3,895,873	2,530,328	1,179,328	2,190,240	1,010,912	85.7%
Other	3,118,763	2,430,436	3,121,775	5,186,654	2,150,605	(3,036,049)	-58.5%
University Plaza revenue	258,911	262,982	261,489	290,237	295,395	5,158	1.8%
<b>Total Revenue</b>	<b>\$ 48,699,109</b>	<b>\$ 51,785,666</b>	<b>\$ 53,325,150</b>	<b>\$ 57,225,968</b>	<b>\$ 57,116,064</b>	<b>(109,904)</b>	<b>-0.2%</b>
<b>Expenses</b>							
Nursing services	\$ 12,843,974	\$ 13,330,622	\$ 14,951,335	\$ 16,066,076	\$ 16,491,597	\$ 425,521	2.6%
Dining services	4,552,345	4,679,847	5,564,864	5,981,088	6,172,078	190,990	3.2%
Environmental services	4,402,319	4,553,191	5,055,328	5,177,148	5,454,658	277,510	5.4%
Resident services	2,028,866	2,467,118	2,858,804	3,021,672	3,194,043	172,371	5.7%
General & administrative	9,099,974	9,195,869	9,909,229	10,623,563	11,016,488	392,925	3.7%
Fund raising	312,631	268,623	264,098	275,686	292,343	16,657	6.0%
Utilities	1,796,250	2,126,708	2,489,143	2,332,401	2,475,441	143,040	6.1%
Interest	1,503,846	1,467,080	1,414,207	1,469,558	1,343,028	(126,530)	-8.6%
Depreciation & amortization	7,419,962	7,715,169	8,055,415	8,143,193	8,296,928	153,735	1.9%
Other	732,245	764,694	807,398	599,221	512,175	(87,046)	-14.5%
<b>Total Expenses</b>	<b>\$ 44,692,412</b>	<b>\$ 46,568,921</b>	<b>\$ 51,369,821</b>	<b>\$ 53,689,606</b>	<b>\$ 55,248,779</b>	<b>1,559,173</b>	<b>3.0%</b>
<b>Operating Income</b>	<b>\$ 4,006,697</b>	<b>\$ 5,216,745</b>	<b>\$ 1,955,329</b>	<b>\$ 3,536,362</b>	<b>\$ 1,867,285</b>	<b>(1,669,077)</b>	<b>-47.2%</b>
<b>Other Changes in Net Assets</b>							
Unrealized gain (loss) on investments	783,663	\$ 2,124,116	\$ (8,510,772)	\$ 6,237,609	\$ -	(6,237,609)	-100.0%
Fair value change in swaps and annuities payable	2,748	(561,028)	1,704,154	(316,086)	-	316,086	N/M
Loss on extinguishment of LT debt	(97,307)	65,475	-	-	-	-	N/M
<b>Increase(decrease) in Net Assets</b>	<b>\$ 4,695,801</b>	<b>\$ 6,845,308</b>	<b>\$ (4,851,289)</b>	<b>\$ 9,457,885</b>	<b>\$ 1,867,285</b>	<b>\$ (7,590,600)</b>	<b>-80.3%</b>
<b>Other Key Elements of Operating Income</b>							
Uncompensated care	1,787,461	1,795,707	1,680,610	1,577,387	1,850,168	272,781	17.3%
Contributed support	720,604	445,732	836,123	1,051,120	805,000	(246,120)	-23.4%
Amortization of entrance fees	4,799,118	4,920,505	5,017,280	5,041,774	5,181,195	139,421	2.8%
Termination income	1,498,022	1,578,906	1,228,435	1,875,359	1,335,000	(540,359)	-28.8%
Total of Amort of entrance fees and term income	6,297,140	6,499,411	6,245,715	6,917,133	6,516,195	(400,938)	-5.8%
Service Revenues	39,732,369	40,944,650	43,712,984	48,078,387	47,604,629	(473,758)	-1.0%
Net Operating Margin (NOM)	3,963,765	3,557,978	1,812,785	4,001,532	1,995,806	(2,005,726)	-50.1%
<b>NOM Ratio</b>	<b>10.0%</b>	<b>8.7%</b>	<b>4.1%</b>	<b>8.3%</b>	<b>4.2%</b>		

**SUNNYSIDE COMMUNITIES**  
**Consolidated Statement of Cash Flow Comparison**  
*(Unaudited, with comparisons)*

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs 23 Actual
<b>SOURCES</b>						
Gain (Loss) from Operations	\$ 4,006,697	\$ 5,216,745	\$ 1,955,329	\$ 3,536,362	\$ 1,867,285	\$ (1,669,077) -47.2%
<b>Add:</b>						
Depreciation & amortization	7,419,962	7,715,169	8,055,415	8,143,193	8,296,928	153,735 1.9%
New entrance fees	8,402,665	8,987,847	7,169,507	9,837,578	9,296,772	(540,806) -5.5%
<b>Deduct:</b>						
Entrance fees amortization & Termination Income	(6,297,140)	(6,499,411)	(6,245,715)	(6,917,133)	(6,516,195)	400,938 -5.8%
Entrance fees refunded	(693,900)	(806,349)	(733,266)	(1,216,325)	(825,000)	391,325 -32.2%
Other			(1,246,218)	442,072		
<b>TOTAL SOURCES</b>	<b>\$ 12,838,284</b>	<b>\$ 14,614,001</b>	<b>\$ 8,955,052</b>	<b>\$ 13,825,747</b>	<b>\$ 12,119,791</b>	<b>\$ (1,705,956) -12.3%</b>
<b>USES</b>						
Scheduled repayment of LT Debt	1,888,533	1,911,349	1,911,349	2,041,179	2,474,038	432,859 21.2%
Additional debt paydown	-	-	-	-	-	
<b>Free Cash Flow</b>	<b>\$ 10,949,751</b>	<b>\$ 12,702,652</b>	<b>\$ 7,043,703</b>	<b>\$ 11,784,568</b>	<b>\$ 9,645,753</b>	<b>\$ (2,138,815) -18.1%</b>
New Borrowings for Cap Ex	3,323,068	5,170,690	2,956,862	349,236	-	(349,236) -100.0%
Capital expenditures	(8,767,119)	(8,164,493)	(8,163,867)	(11,179,190)	(13,547,873)	(2,368,683) 21.2%
<b>Cash Flow</b>	<b>\$ 5,505,699</b>	<b>\$ 9,708,849</b>	<b>\$ 1,836,698</b>	<b>\$ 954,614</b>	<b>\$ (3,902,120)</b>	<b>\$ (4,856,734) -508.8%</b>
<b>Cash Flow (before new borrowings)</b>	<b>\$ 2,182,632</b>	<b>\$ 4,538,159</b>	<b>\$ (1,120,164)</b>	<b>\$ 605,378</b>	<b>\$ (3,902,120)</b>	<b>\$ (4,507,498) -744.6%</b>

**SUNNYSIDE COMMUNITIES**  
**2024 OPERATING BUDGET**  
 (with comparisons)

<b>Cap Ex Budget</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 Actual</b>	<b>2023 Actual</b>	<b>2024 Budget</b>	'24 Bdgt vs '23 Actual	
						<b>\$</b>	<b>%</b>
<b>Consolidated</b>	<b>8,767,119</b>	<b>8,164,493</b>	<b>8,163,867</b>	<b>\$ 11,179,190</b>	<b>\$ 13,547,873</b>	<b>\$ 2,368,683</b>	<b>20.4%</b>
<b>Sunnyside</b>	5,940,505	4,536,704	4,320,428	7,216,551	8,822,579	\$ 1,606,028	25.4%
<b>Kings Grant</b>	1,852,509	1,693,318	2065623	1,644,447	2,326,739	\$ 682,292	24.7%
<b>Summit Square</b>	746,339	1,484,952	1,381,845	2,163,646	2,238,756	\$ 75,110	3.5%
<b>University Plaza &amp; Corp</b>	227,766	449,519	395,971	154,546	159,800	\$ 5,254	1.6%

## SUNNYSIDE Campus

### Statement of Operations Budget Comparison (Unaudited, with comparisons)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs 23 Actual
<b>Revenue</b>						
Residential services	\$ 10,932,008	\$ 11,183,818	\$ 11,699,452	\$ 12,269,570	\$ 12,496,445	\$ 226,875 1.8%
Assisted living	5,620,393	5,660,345	6,025,098	5,821,830	5,909,008	87,178 1.5%
Health services	9,090,686	9,251,368	9,059,588	10,009,480	10,874,882	865,402 8.6%
Investment income	118,198	182,952	104,640	52,565	150,458	97,893 186.2%
Fellowship Provided	1,546,412	1,464,191	1,452,119	1,257,893	1,481,000	223,107 17.7%
Other	1,495,962	1,191,277	1,478,393	2,113,954	758,789	(1,355,165) -64.1%
<b>Total Revenue</b>	<b>\$ 28,803,659</b>	<b>\$ 28,933,951</b>	<b>\$ 29,819,290</b>	<b>\$ 31,525,292</b>	<b>\$ 31,670,582</b>	<b>145,290 0.5%</b>
<b>Expenses</b>						
Nursing services	\$ 7,248,874	\$ 7,296,932	\$ 8,473,402	\$ 9,045,662	\$ 9,189,497	\$ 143,835 1.6%
Dining services	2,467,409	2,519,404	2,889,441	3,066,337	3,230,639	164,302 5.4%
Environmental services	2,430,056	2,510,308	2,759,949	2,969,236	3,220,292	251,056 8.5%
Resident services	1,090,702	1,446,258	1,618,227	1,593,696	1,630,551	36,855 2.3%
General & administrative	5,024,716	4,906,927	5,300,539	5,357,332	5,642,413	285,081 5.3%
Utilities	1,030,468	1,311,582	1,603,212	1,345,314	1,462,294	116,980 8.7%
Interest	954,161	937,423	932,945	959,589	887,989	(71,600) -7.5%
Depreciation & amortization	4,659,729	4,883,999	5,052,033	5,258,301	5,379,738	121,437 2.3%
Pharmacy	247,016	242,089	229,183	74,803	9,012	(65,791) -88.0%
Other	146,544	170,268	174,088	184,309	170,007	(14,302) -7.8%
<b>Total Expenses</b>	<b>\$ 25,299,675</b>	<b>\$ 26,225,190</b>	<b>\$ 29,033,019</b>	<b>\$ 29,854,579</b>	<b>\$ 30,822,432</b>	<b>967,853 3.2%</b>
	88%	91%	97%	95%	97%	
<b>Operating Income</b>	<b>\$ 3,503,984</b>	<b>\$ 2,708,761</b>	<b>\$ 786,271</b>	<b>\$ 1,670,713</b>	<b>\$ 848,150</b>	<b>(822,563) -49.2%</b>
HC & AL Variable Margin	\$ 7,462,205	\$ 7,614,781	\$ 6,611,284	\$ 6,785,648	\$ 7,594,394	808,746 11.9%
	50.7%	51.1%	43.8%	42.9%	45.2%	
Service Revenues	\$ 22,888,510	\$ 22,906,638	\$ 23,987,389	\$ 25,878,216	\$ 25,883,558	5,342 0.0%
Expenses	19,685,785	20,403,768	23,048,041	23,636,689	24,554,704	918,015 3.9%
Net operating Margin	<b>\$ 3,202,725</b>	<b>\$ 2,502,870</b>	<b>\$ 939,348</b>	<b>\$ 2,241,527</b>	<b>\$ 1,328,853</b>	<b>(912,674) -40.7%</b>
NOM Ratio	14.0%	10.9%	3.9%	8.7%	5.1%	

**Kings Grant Campus**  
**Statement of Operations Budget Comparison**  
*(Unaudited, with comparisons)*

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs 23 Actual
<b>Revenue</b>						
Residential services	\$ 5,216,113	\$ 5,192,304	\$ 5,262,605	\$ 5,696,678	\$ 5,893,762	\$ 197,084 3.5%
Assisted living	2,760,251	2,937,575	3,256,653	3,358,705	3,393,580	34,875 1.0%
Health services	3,056,163	3,647,059	3,757,037	4,191,686	4,322,347	130,661 3.1%
Investment income	218,131	851,780	501,858	200,808	389,114	188,306 93.8%
Fellowship Provided	86,390	208,870	124,424	221,707	256,584	34,877 15.7%
Other	484,725	421,751	366,516	1,099,170	402,114	(697,056) -63.4%
<b>Total Revenue</b>	<b>\$ 11,821,773</b>	<b>\$ 13,259,339</b>	<b>\$ 13,269,093</b>	<b>\$ 14,768,754</b>	<b>\$ 14,657,502</b>	<b>\$ (111,252) -0.8%</b>
<b>Expenses</b>						
Nursing services	\$ 3,392,906	\$ 3,610,951	\$ 3,864,810	\$ 4,137,897	\$ 4,313,521	\$ 175,624 4.2%
Dining services	1,191,994	1,262,878	1,522,385	1,697,073	1,690,478	(6,595) -0.4%
Environmental services	1,120,354	1,185,548	1,328,318	1,275,428	1,328,134	52,706 4.1%
Resident services	691,857	751,043	925,598	992,954	958,018	(34,936) -3.5%
General & administrative	2,257,799	2,311,851	2,295,096	2,697,785	2,877,650	179,865 6.7%
Utilities	436,653	518,911	557,312	590,001	598,397	8,396 1.4%
Interest	272,788	272,927	247,343	247,430	222,391	(25,039) -10.1%
Depreciation & amortization	1,680,663	1,718,744	1,787,890	1,561,420	1,549,486	(11,934) -0.8%
Other	72,166	75,968	76,228	90,030	90,277	247 0.3%
<b>Total Expenses</b>	<b>\$ 11,117,180</b>	<b>\$ 11,708,821</b>	<b>\$ 12,604,980</b>	<b>\$ 13,290,018</b>	<b>\$ 13,628,353</b>	<b>\$ 338,335 2.5%</b>
<b>Operating Income</b>	<b>\$ 704,593</b>	<b>\$ 1,550,518</b>	<b>\$ 664,113</b>	<b>\$ 1,478,736</b>	<b>\$ 1,029,149</b>	<b>\$ (449,587) -30.4%</b>
HC & AL Variable Margin	\$ 2,423,508	\$ 2,973,683	\$ 3,148,880	\$ 3,412,494	\$ 3,402,406	\$ (10,088) 0.3%
	41.7%	45.2%	44.9%	45.2%	44.1%	
Service Revenues	\$ 9,986,962	\$ 10,505,388	\$ 11,190,593	\$ 12,406,070	\$ 12,180,993	\$ (225,077) 1.8%
Expenses	9,163,729	9,717,150	10,569,747	11,481,168	11,856,476	375,308 3.3%
Net operating Margin	\$ 823,233	\$ 788,238	\$ 620,846	\$ 924,902	\$ 324,518	\$ (600,384) 64.9%
NOM Ratio	8.2%	7.5%	5.5%	7.5%	2.7%	

**Summit Square Campus**

**Statement of Operations Budget Comparison**  
(Unaudited, with comparisons)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Budget	'24 Bdgt vs 23 Actual
						\$ %
<b>Revenue</b>						
Residential services	\$ 2,694,797	\$ 2,568,150	\$ 2,825,159	\$ 3,272,426	\$ 3,605,167	\$ 332,741 10.2%
Assisted living	2,015,369	2,481,859	2,985,432	3,209,390	3,198,505	(10,885) -0.3%
Health services	1,986,659	2,273,897	2,540,534	2,739,984	2,786,127	46,143 1.7%
Investment income	76,673	244,983	144,404	57,820	150,976	93,156 161.1%
Fellowship Provided	136,659	104,646	86,067	97,787	94,584	(3,203) -3.3%
Other	417,734	364,630	407,432	814,189	184,702	(629,487) -77.3%
<b>Total Revenue</b>	<b>\$ 7,327,891</b>	<b>\$ 8,038,165</b>	<b>\$ 8,989,028</b>	<b>\$ 10,191,596</b>	<b>\$ 10,020,061</b>	<b>\$ (171,535) -1.7%</b>
<b>Expenses</b>						
Nursing services	\$ 2,202,194	\$ 2,422,739	\$ 2,613,123	\$ 2,882,517	\$ 2,988,579	\$ 106,062 3.7%
Dining services	892,942	897,565	1,153,038	1,217,678	1,250,961	33,283 2.7%
Environmental services	851,909	857,335	967,061	932,484	1,024,865	92,381 9.9%
Resident services	246,307	269,817	314,979	435,022	486,841	51,819 11.9%
General & administrative	1,743,101	1,768,053	1,948,060	2,076,868	2,119,051	42,183 2.0%
Utilities	329,129	296,215	328,619	397,086	414,750	17,664 4.4%
Interest	197,823	190,422	212,556	234,924	217,300	(17,624) -7.5%
Depreciation & amortization	908,551	945,594	1,033,509	1,111,950	1,166,197	54,247 4.9%
Other	143,481	137,974	181,156	88,128	75,959	(12,169) -13.8%
<b>Total Expenses</b>	<b>\$ 7,515,437</b>	<b>\$ 7,785,714</b>	<b>\$ 8,752,101</b>	<b>\$ 9,376,657</b>	<b>\$ 9,744,504</b>	<b>367,847 3.9%</b>
<b>Operating Income</b>	<b>\$ (187,546)</b>	<b>\$ 252,451</b>	<b>\$ 236,927</b>	<b>\$ 814,939</b>	<b>\$ 275,557</b>	<b>(539,382) -66.2%</b>
HC & AL Variable Margin	\$ 1,799,834	\$ 2,333,017	\$ 2,912,843	\$ 3,066,857	\$ 2,996,052	(70,805) -2.3%
	45.0%	49.1%	52.7%	51.5%	50.1%	
Service Revenues	\$ 6,598,248	\$ 7,262,596	\$ 8,240,202	\$ 9,395,643	\$ 9,244,683	(150,960) -1.6%
Expenses	6,409,063	6,649,698	7,506,036	8,029,783	8,361,006	331,223 4.1%
Net operating Margin	<b>\$ 189,185</b>	<b>\$ 612,898</b>	<b>\$ 734,166</b>	<b>\$ 1,365,860</b>	<b>\$ 883,677</b>	<b>\$ (482,183) -35.3%</b>
NOM Ratio	2.9%	8.4%	8.9%	14.5%	9.6%	

**SUNNYSIDE Corporate**  
**Statement of Operations Budget Comparison**  
*(Unaudited, with comparisons)*

	2020	2021	2022	2023	2024	'24 Bdgt vs 23 Actual
	Actual	Actual	Actual	Actual	Budget	\$ %
<b>Revenue</b>						
Contributed support	\$ 720,604	\$ 445,732	\$ 836,123	\$ 1,051,120	\$ 805,000	\$ (246,120) -23.4%
Facility management Fees	2,538,756	2,647,850	2,583,864	2,595,756	2,787,255	191,499 7.4%
Investment income	1,535,994	2,616,158	1,779,426	868,135	1,499,692	631,557 72.7%
Other revenue	-	7,046	33,311	108,221	-	(108,221) -100.0%
University Plaza revenue	258,649	262,982	261,489	290,237	295,395	5,158 1.8%
<b>Total Revenue</b>	<b>\$ 5,054,003</b>	<b>\$ 5,979,768</b>	<b>\$ 5,494,213</b>	<b>\$ 4,913,469</b>	<b>\$ 5,387,342</b>	<b>\$ 473,873 9.6%</b>
<b>Expenses</b>						
Fund raising expenses	\$ 312,631	\$ 268,623	\$ 264,098	\$ 275,686	\$ 292,343	16,657 6.0%
General & administrative	2,613,114	2,856,888	2,949,398	3,087,334	3,164,629	77,295 2.5%
Fellowships provided	1,769,461	1,777,707	1,662,610	1,577,387	1,832,168	254,781 16.2%
University Plaza op ex	105,038	120,395	128,743	143,951	148,919	4,968 3.5%
Depreciation & amortization	171,019	166,832	181,983	211,522	201,508	(10,014) -4.7%
Interest	79,074	66,308	21,363	27,615	15,347	(12,268) -44.4%
Other interfund transfers	18,000	18,000	18,000	18,000	18,000	- 0.0%
<b>Total Expenses</b>	<b>\$ 5,068,337</b>	<b>\$ 5,274,753</b>	<b>\$ 5,226,195</b>	<b>\$ 5,341,495</b>	<b>\$ 5,672,913</b>	<b>\$ 331,418 6.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ (14,334)</b>	<b>\$ 705,015</b>	<b>\$ 268,018</b>	<b>\$ (428,026)</b>	<b>\$ (285,571)</b>	<b>\$ 142,455 -33.3%</b>

# Exhibit F

Sunnyside Communities Debt Covenants

As Agreed to in the Guaranty  
and Credit Agreement with  
BB&T Bank – June 2013

1. Debt Service Coverage Ratio
2. Debt to Capitalization Ratio
3. Unrestricted Days Cash on Hand

## **EXHIBIT F**

### **SUNNYSIDE COMMUNITIES DEBT COVENANTS - Fiscal Year 2024**

**As agreed to in the Master Trust Indenture dated as of August 1, 2013,  
as supplemented by the Eight Supplemental Indebtue, dated as of  
January 1, 2020**

1. Debt Service Coverage Ratio
2. Debt to Capitalization Ratio
3. Unrestricted Days Cash on Hand

**SUNNYSIDE PRESBYTERIAN HOME**

Financial Covenants Consolidated entities (includes Sunnyside, Kings Grant, Summit Square)

	Year End 2020 Actual	Year End 2021 Actual	Year End 2022 Actual	Year End 2023 Actual	Year End 2024 Budget
<b>DEBT SERVICE COVERAGE RATIO (i) Covenant</b>					
Net Gain (Loss) from operations	\$ 4,017,541	\$ 5,216,745	\$ 1,958,864	\$ 3,536,362	\$ 1,867,285
<b>Add (subtract):</b>					
Interest expense	1,503,847	1,467,080	1,414,209	1,469,558	1,343,028
Depreciation and amortization	7,414,961	7,715,169	8,053,616	8,143,193	8,296,928
Entrance Fee Amortization	(6,297,140)	(6,499,411)	(6,245,715)	(6,917,133)	(6,516,195)
Net Entrance Fees Received	7,708,765	8,180,498	6,436,241	8,621,253	8,471,772
Net Revenue Available for Debt Service	\$ 14,347,974	\$ 16,080,081	\$ 11,617,215	\$ 14,853,233	\$ 13,462,818
<b>Maximum Annual Debt Service</b>	\$ 3,764,845	\$ 3,764,845	\$ 3,764,845	\$ 3,764,845	\$ 3,764,845
Debt Service Coverage Ratio Actual	3.81	4.27	3.09	3.95	3.58

**SUNNYSIDE PRESBYTERIAN HOME**

Financial Covenants Consolidated entities (includes Sunnyside, Kings Grant, Summit Square)  
Reporting Purposes Only

<b>DEBT TO CAPITALIZATION RATIO</b>	Year End				
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Annual Year End Measurement Not to Exceed .60</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
Long Term Debt	\$ 44,635,651	\$ 53,337,093	\$ 51,088,816	\$ 48,764,466	\$ 46,405,488
LT Debt+Unrestricted Net Assets+Def Rev Ent Fees	\$ 121,091,832	\$ 134,547,134	\$ 143,742,957	\$ 134,750,864	\$ 143,417,527
<b>Debt to Capitalization Ratio Actual</b>	<b>36.9%</b>	<b>39.6%</b>	<b>35.5%</b>	<b>36.2%</b>	<b>32.4%</b>

**SUNNYSIDE PRESBYTERIAN HOME****Financial Covenants Consolidated entities (includes Sunnyside, Kings Grant, Summit Square)**

	Year End 2020	Year End 2021	Year End 2022	Year End 2023
<b>UNRESTRICTED DAYS CASH ON HAND</b>				
<b>Annual Year End Measurement Minimum 150 Days</b>				
Total Expenses	\$ 44,692,412	\$ 46,568,921	\$ 51,368,118	\$ 53,689,606
Depreciation	\$ (7,419,962)	\$ (7,715,169)	\$ (8,053,616)	\$ (8,143,193)
<b>Operating Expenses (excluding depreciation)</b>	<b>\$ 37,272,450</b>	<b>\$ 38,853,752</b>	<b>\$ 43,314,502</b>	<b>\$ 45,546,413</b>
<b>Daily Expense (one "day" cash)</b>	<b>\$ 102,116</b>	<b>\$ 106,449</b>	<b>\$ 118,670</b>	<b>\$ 124,785</b>
	<b>Days Cash on Hand Actual</b>	<b>439</b>	<b>525</b>	<b>420</b>
				<b>453</b>
Cash	\$ 2,012,921	\$ 3,214,320	\$ 1,661,427	\$ 1,458,488
Investments	42,850,863	52,624,910	48,237,946	55,082,619
<b>Total Cash On Hand Available for Calculation</b>	<b>\$ 44,863,784</b>	<b>\$ 55,839,230</b>	<b>\$ 49,899,373</b>	<b>\$ 56,541,107</b>

# Exhibit G

## Resident Reservation Agreement and Admissions Policies/Guidelines

**SUNNYSIDE COMMUNITIES**  
**(Sunnyside, King's Grant, and Summit Square)**  
**RESIDENT RESERVATION AGREEMENT**

**INTRODUCTION**

THIS RESERVATION AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between SUNNYSIDE PRESBYTERIAN HOME, a not-for-profit corporation organized and incorporated under the laws of the Commonwealth of Virginia (the "Corporation") and \_\_\_\_\_ ("Resident," if two persons, they are referred to herein, sometimes jointly, sometimes severally, as the "Resident," and the obligations of two such persons shall be joint and several).

**AGREEMENTS**

**I. Reservation Fee.** Resident agrees to pay the Corporation a non-refundable reservation fee of \$\_\_\_\_\_ (which equals the first month's fee) for the reservation of Unit #\_\_\_\_\_, at \_\_\_\_\_ Community, for the term of 30 days. The parties agree that the payment of this fee will reserve the Unit for a period of 30 days and will be applied to the first month of occupancy if the Resident occupies the Unit within 30 days of the execution of this Agreement. The Corporation cannot hold the Unit for a period greater than 30 days without renewal of this Agreement by payment of another 30 days' fee by the Resident 10 days in advance of the expiration of this Agreement. The term of this Agreement may be extended for 30-day intervals; however, either party may terminate this Agreement with 10 days' notice.

**II. Serious Deterioration of Health.** In the unlikely event that the Corporation determines that the health of the Resident (or either of them, in the case of a couple) has deteriorated to such an extent that he/she (or either of them in the case of a couple) is precluded through illness, injury or incapacity from moving into the selected unit, the Corporation may terminate this Agreement at any time prior to the Date of Occupancy

**III. Miscellaneous.** The Resident's rights under this Agreement may not be transferred to any other person. This Agreement constitutes the entire Agreement between the Resident and the Corporation, and no waiver or modification hereof shall be valid unless made in writing and executed by the Resident and the Corporation. 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.

**SIGNATURES**

\_\_\_\_\_  
(Resident)

\_\_\_\_\_  
(Resident)

SUNNYSIDE PRESBYTERIAN HOME

BY: \_\_\_\_\_

**SUMMIT SQUARE  
POLICY AND PROCEDURE**

**SUBJECT:** Marketing Criteria for Process of Admissions – Independent Living

**NO.** A 1.1

**REVIEW:** Annually

**PAGE** 1 of 2

**APPROVED:** 

**ISSUED / REVISED:** 061598/022002/103003/120304/42605/020507/032811  
060512/032113/041414/052016/081417/081318/102119  
091020/080422

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**POLICY:**

**Independent Living Units**

Prospective residents (individuals or a couple as a unit) must be physically and mentally capable of maintaining all necessary functions of independent living and be at least 55 years of age. Necessary functions shall include the normal activities of daily living. The prospective resident(s) should, at a minimum, be able to:

1. Ambulate or move about	5. Secure groceries and supplies
2. Cook and clean	6. Demonstrate socially accepted behavior
3. Feed oneself	7. Maintain orientation to environment
4. Maintain personal hygiene	8. Able to manage medications

All prospective residents for Independent Living at Summit Square shall be screened and evaluated according to guidelines for financial and medical assessments.

**PROCEDURE:**

1. **Prospect's First Visit**

Summit Square has a two-fold objective to accomplish during the prospect's first visit:

- a. Make the sale
- b. Assess the prospect's capability of functioning in his/her desired level of living.

The Marketing Director will be the prospect's primary (and possibly only) contact during this visit. He/she or an Ambassador will take the prospect on a tour of the community and may invite the prospect to lunch.

The Marketing Director will make notes of their observations and other facts they may have learned, if there is a reason for concern.

2. **Applications**

Prospects will receive applications upon their request. The application will be returned to the Marketing Director.

Upon receipt of the application, the Marketing Director will review it for completeness and email to the corporate office for approval. Once approved, the Marketing Director will put the prospect on the Active or Future Waiting List.

3. **When a living unit becomes available, the Marketing Director will:**

- a. Get a financial update if the application is over six months old or if there have been major changes in finances.
- b. Arrange for a time for the prospect to view the available unit.

4. **Physician's Examination**

A physician's examination is obtained by the Marketing Director prior to admission to Summit Square. The Marketing Director will write or call the prospect addressing the following:

- a. Physician's Medical Certificate: call the prospect and instruct him/her to make an appointment with their physician for a medical examination if the physician determines an examination is necessary.
- b. Mail or fax the Medical Certificate to the applicant's physician.
- c. The Marketing Director will have the clinic RN and Director of Social Services evaluate the prospect if there is concern or questions based on the medical certificate/observations about the prospect's appropriate level of living.

5. **Financial Update**

The Marketing Director should review the revised financial information promptly after its receipt. If income falls outside the guidelines for adequacy, if its future availability is not assured, if it is marginal, or if there are any other questions concerning the prospect's financial viability, she should consult with the Executive Director. It is then faxed to the Chief Financial Officer for approval.

6. **Admissions Committee**

When necessary, the Admissions Committee, consisting of the Executive Director and the Marketing Director will meet to review prospects under consideration for admission. All the factors heretofore described should be evaluated in the decision process.

**SUMMIT SQUARE  
POLICY**

**SUBJECT:** Admission to the Assisted Living  
Center – Responsibilities

**NO.** H 5.4

**REVIEW:** Annually

**PAGE** 1 of 2

**APPROVED:** \_\_\_\_\_

**ISSUED/REVISED:** 072707/031008/032408/060909/062110/041111  
070912/042513/042814/060115/052016/103119/  
112520

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**POLICY:**

Upon admission to the Assisted Living Center, physician orders will be processed accurately, required assessments will be completed and the resident (and family if applicable) will be oriented to the unit and familiarized with the immediate surroundings.

**A. The Social Worker will:**

1. Facilitate the admission process
  - a. Ensure proper documentation secured for admission
  - b. Ascertain whether laundry services are desired
  - c. Create name tag for resident's room
2. Notify interdisciplinary team (IDT) of admission via e-mail
3. Make copies of insurance information
4. Scan admission paperwork into the electronic health record (EHR)
5. Obtain resident photograph for EHR

**B. The IDT will act as follows:**

1. The Executive Assistant will:
  - a. Enter resident demographics for EHR face-sheet
  - b. Assign physician for EHR face-sheet
  - c. Enter pharmacy into EHR
  - d. Enter necessary billing data into EHR
2. The Clinical Coordinator or designee will:
  - a. Obtain necessary admission paperwork (Medical Certificate, Tuberculosis screening) from social worker or physician
  - b. Process physician orders
  - c. Ensure admission assessments are completed
    1. Uniform Assessment Instrument
    2. Elopement Risk Assessment
    3. Fall Risk Assessment
    4. Skin Assessment
  - d. Assign admission vital signs and weights
  - e. Ensure service plan is developed on admission or prior to
  - f. Notify dining services of diet orders
  - g. Notify nursing staff who will:
    1. Obtain admission vitals, height, weight
    2. Work collaboratively with housekeeping services to ensure resident belongings are stored

3. Orient resident to the following:
  - a. Room
  - b. Bed
  - c. Bathroom
  - d. Meal times
  - e. Call bell system
  - f. Emergency response procedures
3. The Life Enrichment Director will:
  - a. Assign pendant call-bell to resident
  - b. Ensure Life Enrichment team assesses for activity preferences
4. The Housekeeping Supervisor will:
  - a. Coordinate labeling process for all resident clothing
    1. If purchased name labels are desired, the housekeeping supervisor will arrange for purchase with the resident and/or attorney-in-fact
  - b. Work collaboratively with nursing staff to ensure resident belongings are stored

C. Re-Admission

1. Readmissions will be conducted as outlined above or at the discretion of the Director of Health Services.

**SUMMIT SQUARE  
POLICY**

**SUBJECT:** Admission to Skilled Nursing  
Team Responsibilities

**NO.** H 5.4.1

**REVIEW:** Annually

**PAGE** 1 of 3

**ISSUED / REVISED:** 061598/080803/082603/123004/010305  
53105/61406/030507/032408/060909  
041111/052212/042513/042814/060115  
52016/091819/112520/120221

**APPROVED:** BR

**POLICY:**

Upon admission to the Skilled Nursing Center, all physician orders will be processed accurately. Required assessments will be completed and the resident and/or family will be oriented to their new living environment.

**I. For All Residents:**

1. The nursing staff will familiarize resident with room, bed, bathroom, call bell, and SARA pendant.
  - a. Allow resident to activate call bell and SARA pendant (if appropriate) to demonstrate understanding.
2. Assist resident in arranging belongings in the room and closet. The Social Worker will ascertain whether he/she will desire laundry services. (See H 6.9).
  - a. The Director of Environmental Services will coordinate name labeling of clothing.
3. The Social Worker will ascertain whether a telephone is desired. If desired, the Social Services Coordinator will send a maintenance request, including former room number, extension (if applicable), and present room number. If resident is moving from within the Summit Square Community and the phone is being transferred from that location, include this information and room number on the form.
  - a. Two types of telephone service are available:
    1. **Service Within the Facility Only – No Charge.**
    2. **Outside Facility Service – Extra Charge.**
4. Nursing will obtain resident's vital signs every shift for 72 hours and weight on admission, and twice daily, then 4 times weekly and monthly thereafter.
5. Nursing will complete:
  - a. The Nursing Admission Assessment.
  - b. Elopement Assessment

- c. Fall Assessment
- d. Skin Assessment – Braden Scale (at risk for decubiti)

6. The MDS Coordinator will complete an initial care plan within 24 hours of admission and complete an AMs scale as appropriate.
7. Physicians' Orders are to be completed by the Unit Manager or the charge nurse:
  - a. Verify physician orders via telephone if MD did not initial orders.
  - b. Notify primary physician that resident must be examined within 48 hours unless the primary physician was responsible for the discharge orders from the hospital
  - c. Transcribe all orders into the EMR which also populates the MAR and TAR
  - d. Orders will be sent to pharmacy via integration with PCC. Some orders may need to be faxed directly per pharmacy director.
8. The Unit Manager or charge nurse will notify the Dining Services Department regarding diet orders by e-mailing the Director of Dining Services and completing and sending a written diet slip to the Gallery.
9. The Social Worker will send out an admission notice via status change e-mail, which will prompt the following:
  - a. Social Worker to complete a name tag for room
  - b. Social Worker to take resident's photograph for EMR
  - c. Life Enrichment Director to assign the SARA pendant
  - d. Director of Environmental Services to complete the Inventory of Personal Property form
10. Notify the Social Worker to complete the following:
  - a. Make a copy of resident's insurance information and scan into EMR
  - b. Prepare face sheet information in the EMR
11. All admission orders must be re-written for each resident who is re-admitted to Skilled Nursing (after hospitalization). Follow procedure in #9 and #10 of this policy.
12. At re-admission, the MDS Coordinator or Director of Health Services will evaluate the resident for changes in MDS status and complete assessments indicated by the MDS.
13. At re-admission, the charge nurse will complete a re-admission Nursing Assessment.

## II. For Skilled Nursing Residents:

1. Document date, time, method of transport of resident

2. "Resident is admitted to SNF because \_\_\_\_\_  
the skilled services the resident will receive)."
3. Each shift, the nurse should document the following:
  - a. Vital signs
  - b. Activity tolerance (including hours out of bed)
  - c. Basic nursing head-to-toe assessment
  - d. Each and every contact with physician, including reason and response
  - e. Abnormal test results and action you took
  - f. Mental status (alert and oriented X3, X2, alert to self only.....)
  - g. Response to treatment(s)
  - h. Response to therapy(s)
  - i. Pain level

# Exhibit H

## Resident Grievance Procedure



## RESIDENT GRIEVANCE PROCEDURE

Dear \_\_\_\_\_:  
 (Please print or type Resident's name.)

Although we work hard to provide care and to meet your needs, we recognize that there may at times be disagreements with policy or you may feel your rights as a resident have been infringed upon. In such cases, you are encouraged to voice your concern in the following manner:

1. If the complaint is a simple and legitimate one that is within a staff member's ability to resolve, share the concern with staff, and your complaint will be resolved as quickly as circumstances allow. If the staff member cannot resolve your problem, he/she will advise you of further steps to be taken to have your concern addressed.
2. You may share your concern with the Executive Director, who will discuss your grievance openly with you and try to resolve the problem.
3. If your grievance is still unresolved to your satisfaction, it should be put in writing (by you or with the assistance of a staff person) and presented to the Executive Director to be presented to the Management Staff at the next weekly meeting.
4. If, after taking the foregoing action, you still feel your concerns have not been sufficiently addressed by Management, you may contact the following agencies regarding your grievance:

➤ **RESIDENTS LIVING IN AN ASSISTED LIVING FACILITY SHOULD CONTACT:**

(a) <b>Virginia Dept. of Social Services</b> <b>Contact: Robin Ely</b> <b>57 Beam Lane, Suite 102</b> <b>Fishersville, Virginia 22939</b> <b>(p) 540.332.2330</b> <b>(f) 540.332.7748</b>	(b) <b>VA Association of Area Agencies on Aging</b> <b>State LTC Ombudsman</b> <b>24 East Cary Street, Suite 100</b> <b>Richmond, Virginia 23219</b> <b>(p) 804.565.1600 or 800.552.3402</b>
(c) <b>Adult Protectives</b> <b>1.888.832.3858</b>	(d) <b>Valley Program for Aging Services</b> <b>1.866.816.9020</b>

*Sunnyside and Summit Square residents call:*

Valley Licensing Office – 540.332.2330

➤ **RESIDENTS LIVING IN A NURSING FACILITY SHOULD CONTACT:**

(a) <b>Virginia Department of Health</b> <b>Office of Licensure and Certification</b> <b>9960 Mayland Drive, Suite 401</b> <b>Richmond, Virginia 23233</b> <b>(p) 800.546.7545</b>	(b) <b>Valley Program on Aging Services</b> <b>Local Ombudsman</b> <b>John Brownlee</b> <b>P.O. Box 817</b> <b>325 Pine Avenue</b> <b>Waynesboro, Virginia 22980</b> <b>Email: john@vpas.info</b> <b>(p) 540.949.7141 or 800.868.8727</b> <b>(c) 540.471.9244</b> <b>(f) 540.949.7143</b> <b><a href="http://www.vpas.info">www.vpas.info</a></b>
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I have reviewed and understand the Resident Grievance Procedure received on this date.

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

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

# Exhibit I

## Financial Summary

**Sunnyside Presbyterian Home**  
**Summit Square**  
**December 31, 2023**  
*Unaudited*

	Current Year	Prior Year	Increase (decrease)	% Change
<b>Total Assets</b>	\$ 19,874,124	\$ 18,054,774	1,819,350	10%
<b>Total Liabilities</b>	13,127,686	12,567,587	560,099	4%
<b>Total Net Assets</b>	6,746,438	5,487,187	1,259,251	23%
<b>Total Revenues</b>	10,191,583	8,989,027	1,202,556	13%
<b>Total Expenses</b>	9,376,639	8,752,096	624,543	7%
<b>Operating Income</b>	814,944	236,931	578,013	244%
<b>Operating Income Margin</b>	8.0%	2.6%		
<b>Net Income</b>	\$ 1,259,254	\$ (232,994)	1,492,248	-640%
<b>Fellowship support (included in revenue above)</b>	\$ 97,787	\$ 86,067	11,720	14%

**Narrative on financial condition:**

Total net assets increased \$1.3 million as compared to 2022. Operating income made up approximately 2/3rds of this. It was up significantly as compared to the prior year, both in dollars and as a percent of revenue. Service revenue (revenue from our core business) was up \$870k driven by census gains and annual rate increases. Additionally, \$312k of the revenue growth was from government programs included in the Other revenue line (current year receiving funds from Employee Retention Credits and in the prior year, we recognized the balance of funds from the Cares Act). Operating expenses in total were up 7% (1) in support of the revenue growth, especially in the high levels of care which contain a higher level of direct expenses, (2) \$390k increase related to our insourcing of therapy services and (3) normal expense growth in the other areas. These were partially offset by expense reduction related to the improved labor efficiency in nursing.

Occupancy Information	Capacity of Units	Average Occupancy	Percentage Occupancy
Independent living	78	65	84%
Assisted Living and Memory Care	33	33	99%
Healthcare	18	16	89%

**Sunnyside Presbyterian Home  
Summit Square  
December 31, 2023**

	Current Year	Budget	Favorable (Unfavorable)
<b>Total Revenues</b>	10,191,583	9,304,115	887,468
<b>Total Expenses</b>	9,376,639	9,118,369	(258,270)
<b>Operating Income</b>	814,944	185,746	629,198
<i>Operating Income Margin</i>	8.0%	2.0%	
<b>Fellowship support (included in revenue above)</b>	\$ 97,787	\$ 114,732	16,945

**Narrative on financial condition:**

Revenue was favorable to budget \$887k, \$476k of which related to the funding from the employee retention credit (ERC) program. Expenses were unfavorable largely related to the additional charges for employee medical expense from high cost medical claims (\$100k) and direct expenses in support of the related favorable revenues, and some labor efficiencies with the insourcing of therapy. Nonetheless, operating income was well above budget in total and as a percent of revenue, and was also favorable pro forma to exclude the ERC credit and the employee medical anomaly.

### Summit Square Campus Occupancy Trend

		2019	2020	2021	2022	2023
IL	Available	79	79	78	78	78
	Average Occupancy	71	64	61	61	66
	Average Occupancy %	89%	80%	79%	79%	84%
	YoY Change		-9%	-2%	0%	5%
AL & MC	Available	20	35	35	35	35
	Average Occupancy	16.5	22.9	28.8	32.7	32.7
	Average Occupancy %	83%	65%	82%	93%	94%
			-17% (1)	17% (1)	11% (1)	0%
Healthcare	Available	18	18	18	18	18
	Average Occupancy	17.2	15.6	15.6	16.8	16.5
	Average Occupancy %	95%	86%	87%	93%	92%
			-9% (2)	0%	7% (3)	-2%

(1) Memory care unit opened in January 2020. It was slow to fill given new unit and pandemic prevented early direct admit marketing. This improved steadily through 2022

(2) Decrease related to very low direct admits from early 2020 through mid-2021 due to the pandemic and increased after as well as natural flow through continuum of care from regular resident population

(3) Increase in skilled admits post-pandemic environment when very few skilled residents were taken aside from those related to our long-term residents.