

**ASSIGNMENT AND ASSUMPTION OF
AND AMENDMENT TO ESCROW AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF AND AMENDMENT TO ESCROW AGREEMENT (this “Agreement”) is made this 20th day of November, 2018, to be effective as of November 20, 2018 (the “Effective Date”), by and between Essex Meadows Properties, Inc., an Iowa corporation (“Assignor”), LCS Essex Meadows LLC, an Iowa limited liability company (“Assignee”), and U.S. Bank National Association, a national banking association organized under the laws of the United States, as escrow agent (“Escrow Agent”).

RECITALS:

WHEREAS, Assignor and Escrow Agent are parties to that certain Waiting List Escrow Agreement for Essex Meadows dated as of February 5, 2005, as amended by Amendment No. 1 dated September 1, 2010, and by Amendment No. 2 dated December 29, 2016 (collectively, the “Escrow Agreement”), which provides for the deposit by Assignor of waiting list deposit payments from persons that apply to become residents of that certain continuing care retirement community located in Essex, Connecticut, commonly known as Essex Meadows (the “CCRC”), into the Waiting List Escrow Account (as defined in the Escrow Agreement), as more particularly described in the Escrow Agreement.

WHEREAS, as of November 20, 2018, Assignee purchased the CCRC from Assignor pursuant to the terms of that certain Asset Purchase Agreement, dated as of December 29, 2017, and the other transaction documents entered into in connection therewith, each by and between Assignor and Assignee and the other parties named therein (the “Transaction”).

WHEREAS, in connection with the Transaction, Assignor has agreed to assign to Assignee all of Assignor’s right, title and interest to the Escrow Agreement and all funds held thereunder by the Escrow Agent as of the Effective Date, and Assignee has agreed to assume all of Assignor’s obligations and liabilities arising under the Escrow Agreement after the Effective Date, all as set forth herein.

WHEREAS, Assignor, Assignee and the Escrow Agent have agreed to amend certain provisions of the Escrow Agreement, all as set forth herein.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. The Recitals set forth above are true and correct and are incorporated by this reference.
2. Effective as of the Effective Date, Assignor does hereby sell, assign, transfer and set over to Assignee all of Assignor’s right, title and interest to the Escrow Agreement and all funds held thereunder by the Escrow Agent. Assignee as Provider will pay Escrow Agent its usual and customary fee for service as Escrow Agent. Presently, such fees are shown in **Schedule 2** attached hereto. Such fees may be amended from time to time upon mutual agreement between the parties. The current escrow fee is \$2,500 for one escrow agreement between Escrow Agent and Assignee as Provider, and \$500 for each additional escrow agreement between Escrow Agent and Assignee as Provider, regardless of the number of individual accounts covered by any escrow agreement.
3. Assignor hereby represents that attached hereto as Exhibit A is a true, correct and complete copy of the Escrow Agreement, as in effect as of the date hereof. Assignor further represents

that as of the Effective Date, no default by Assignor has occurred that would require payment under the Escrow Agreement.

4. Effective as of the Effective Date, Assignee does hereby accept the foregoing assignment from Assignor and does hereby assume and agree to pay, discharge and perform, as and when due, all of the obligations and liabilities of Assignor arising under the Escrow Agreement after the Effective Date and which do not result from a default by Assignor prior to the Effective Date.

5. The indemnity obligation of Assignor under the Escrow Agreement with respect to matters arising prior to the Effective Date shall survive the Effective Date and this Agreement.

6. Effective as of the Effective Date, all references in the Escrow Agreement to “Essex Meadows Properties, Inc.” shall be replaced with “LCS Essex Meadows LLC” for all purposes.

7. Effective as of the Effective Date, the address of Provider set forth in Section 14 of the Escrow Agreement is hereby deleted and replaced with the following for all purposes:

“If to Provider:

LCS Essex Meadows LLC
c/o LCS
400 Locust Street, Suite 820
Des Moines, Iowa 50309
Attn: Michael Broderick
Telephone: (515) 875-4530
Facsimile No.: (515) 875-4780
Email: broderickmichael@lcsnet.com”

8. Assignor and Assignee hereby represent to Escrow Agent that all Connecticut regulatory approvals necessary for the effectiveness of this Agreement have been obtained and any required notices to all Connecticut regulatory bodies have been given.

9. Except as specifically provided in this Agreement, all of the terms, conditions and provisions of the Escrow Agreement shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Escrow Agreement, the terms of this Agreement shall prevail.

10. The provisions of this Agreement shall be binding on and inure to the benefit of Assignor, Assignee and Escrow Agent and their respective successors and assigns.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

12. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic transmission shall be effective to the fullest extent permitted by applicable law.

[SIGNATURES ON FOLLOWING PAGE]

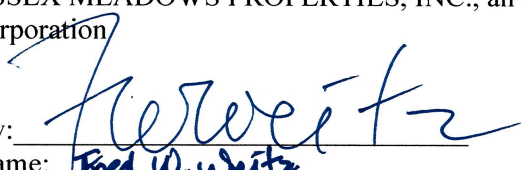
IN WITNESS WHEREOF, the parties hereto have entered into this Agreement the day and year first above written, to be effective as of the Effective Date.

ASSIGNOR:

ASSIGNEE:

ESSEX MEADOWS PROPERTIES, INC., an Iowa corporation

LCS ESSEX MEADOWS LLC, an Iowa limited liability company

By: 
Name: Fred W. Weitz
Its: Chairman and CEO

By: _____
Name: _____
Its: _____

Consent to Assignment and Assumption of and Amendment to Escrow Agreement

Pursuant to the terms of the Escrow Agreement and this Agreement, the undersigned, as the Escrow Agent under the Escrow Agreement, as of the Effective Date, hereby (a) agrees that this Agreement shall constitute written notice of the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee; (b) consents and agrees to the terms of this Agreement and the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee, as set forth herein, and (c) agrees to the amendments to the Escrow Agreement set forth in Sections 6 and 7 of this Agreement.

ESCROW AGENT:

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement the day and year first above written, to be effective as of the Effective Date.

ASSIGNOR:

ESSEX MEADOWS PROPERTIES, INC.,
an Iowa corporation

By: Fred W. Weitz
Its: Chief Executive Officer

ASSIGNEE:

LCS ESSEX MEADOWS LLC,
a Delaware limited liability company

By: **LCS SHIP Venture I, LLC**,
a Delaware limited liability
company
Its: Sole Member

By: **LCS SHIP Sponsor Member I, LLC**,
an Iowa limited liability company
Its: Managing Member

By: 
Joel D. Nelson, President and CEO

Consent to Assignment and Assumption of and Amendment to Escrow Agreement

Pursuant to the terms of the Escrow Agreement and this Agreement, the undersigned, as the Escrow Agent under the Escrow Agreement, as of the Effective Date, hereby (a) agrees that this Agreement shall constitute written notice of the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee; (b) consents and agrees to the terms of this Agreement and the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee, as set forth herein, and (c) agrees to the amendments to the Escrow Agreement set forth in Sections 6 and 7 of this Agreement.

ESCROW AGENT:

U.S. BANK NATIONAL ASSOCIATION

By: _____
Name: _____
Its: _____

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement the day and year first above written, to be effective as of the Effective Date.

ASSIGNOR:

ASSIGNEE:

ESSEX MEADOWS PROPERTIES, INC.,
an Iowa corporation

LCS ESSEX MEADOWS LLC,
a Delaware limited liability company

By: Fred W. Weitz
Its: Chief Executive Officer

By: **LCS SHIP Venture I, LLC**,
a Delaware limited liability
company
Its: Sole Member

By: **LCS SHIP Sponsor Member I, LLC**,
an Iowa limited liability company
Its: Managing Member

By: 
Joel D. Nelson, President and CEO

Consent to Assignment and Assumption of and Amendment to Escrow Agreement

Pursuant to the terms of the Escrow Agreement and this Agreement, the undersigned, as the Escrow Agent under the Escrow Agreement, as of the Effective Date, hereby (a) agrees that this Agreement shall constitute written notice of the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee; (b) consents and agrees to the terms of this Agreement and the assignment of the rights and obligations of Assignor under the Escrow Agreement to Assignee, as set forth herein, and (c) agrees to the amendments to the Escrow Agreement set forth in Sections 6 and 7 of this Agreement.

ESCROW AGENT:

U.S. BANK NATIONAL ASSOCIATION

By: 
Name: PAULA STARR
Its: Assistant Vice President

*(Signature Page to Assignment and Assumption of
and Amendment to Waiting List Escrow Agreement)*

EXHIBIT A
ESCROW AGREEMENT

(See attached.)

**AMENDMENT NO. 2
TO
WAITING LIST ESCROW AGREEMENT
FOR
ESSEX MEADOWS**

This Amendment No. 2 to Waiting List Escrow Agreement is effective as of December 29, 2016 and is made by and between **Essex Meadows Properties, Inc.**, an Iowa Corporation (the "Provider"), and **U.S. Bank National Association** (the "Escrow Agent").

WHEREAS, the parties hereto agree to amend the terms of the Waiting List Escrow Agreement which was effective as of February 5, 2005 and which was amended effective as of September 1, 2010 (collectively, the "Escrow Agreement") as set forth below:

1. Paragraph 3 ("Investments") of the Escrow Agreement is deleted in its entirety and replaced with the following:

3. **Investments.** The Provider will provide written investment instructions to the Escrow Agent of the funds held in the Waiting List Escrow Account. Escrow Agent shall invest the funds held by it in the Waiting List Escrow Account from time to time pursuant to the Provider's written instructions, and the Escrow Agent may conclusively assume, without inquiry or investigation, that any directed investment is lawful. The Escrow Agent shall have no liability to any party on account of investment of funds in accordance with this Agreement provided, however, that the Escrow Agent shall be liable for its own gross negligence or willful misconduct with regard to the Escrow Agent's failure to comply with an investment direction of the Provider.

2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to Waiting List Escrow Agreement to be effective on the day and year first above written.

ESSEX MEADOWS PROPERTIES, INC.

By: *Lisa D. Grieve*
Its Lisa D. Grieve
Title Vice President, Secretary, Treasurer

U.S. BANK NATIONAL ASSOCIATION

By: *Glenda Peterson*
Its Glenda Peterson
Title Vice President

**AMENDMENT NO. 1
TO
WAITING LIST ESCROW AGREEMENT
FOR
ESSEX MEADOWS**

This Amendment No. 1 to Waiting List Escrow Agreement is effective as of September 1, 2010 and is made by and between **Essex Meadows Properties, Inc.**, an Iowa Corporation (the "Provider"), and **U.S. Bank National Association** (f/k/a Wachovia Bank, National Association) (the "Escrow Agent").

WHEREAS, the parties hereto agree to amend the terms of the Waiting List Escrow Agreement which was effective as of February 5, 2005 as set forth below:

1. Paragraph 3 ("Investments") of the Waiting List Escrow Agreement is deleted in its entirety and replaced with the following:

3. **Investments.** The Provider has entered into an agreement with PNC Institutional Investments to provide investment instructions to the Escrow Agent of the funds held in the Waiting List Escrow Account. The Escrow Agent shall invest all amounts held by it from time to time in such obligations of the United States or its agencies (or in shares of a registered investment company which holds a portfolio of such securities) or such certificates of deposit, savings accounts, or other savings or investment securities as PNC Institutional Investments may direct in writing.

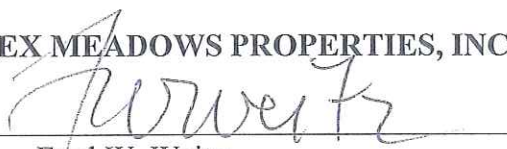
2. Paragraph 14 ("Notices to the Parties") is amended to include the revised address and telephone number of the Escrow Agent:

If to the Escrow Agent:
U.S. Bank National Association
Attn: Corporate Trust Group
150 Fourth Avenue North – 2nd Floor
Nashville, TN 37203
Telephone: (615) 251-0717
Facsimile: (615) 251-0737


3. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to Waiting List Escrow Agreement to be effective on the day and year first above written.

ESSEX MEADOWS PROPERTIES, INC.

By: 
Its Fred W. Weitz
Title President

U.S. BANK NATIONAL ASSOCIATION

By: 
Its Donna L. Williams
Title V.P.

**WAITING LIST ESCROW AGREEMENT
FOR
ESSEX MEADOWS**

This Waiting List Escrow Agreement (the "Agreement"), effective as of February 5, 2005, is made by and between ESSEX MEADOWS PROPERTIES, INC., an Iowa Corporation (the "Provider"), and WACHOVIA BANK, NATIONAL ASSOCIATION (the "Escrow Agent").

RECITALS:

WHEREAS, the Provider is the sponsor of a life-care retirement community ("Essex Meadows") located in Essex, Connecticut, and as such is a "Provider" within the meaning of Section 17b-520(d) of Title 17B, Chapter 319HH of the Connecticut General Statutes (the "Statutes"); and

WHEREAS, the Provider wishes to set forth the terms and provisions under which certain deposits will be made with the Escrow Agent for the purpose of maintaining an escrow account of the payments made to the Provider by applicants pursuant to Waiting List Agreements; and

WHEREAS, attached hereto as Exhibit "A" and incorporated herein by this reference is a copy of the form of Waiting List Agreement (which form may be amended from time to time) between the Provider and each applicant.

NOW, THEREFORE, in consideration of these premises and the mutual covenants herein set forth, the parties agree as follows:

1. **Deposits.** The Provider shall deposit with the Escrow Agent each payment received by the Provider from an applicant under a Waiting List Agreement within seventy-two (72) hours of receipt thereof by the Provider.
2. **Escrow Account.** The Escrow Agent shall maintain all such deposits made to the Waiting List Escrow Account separate and apart from any other funds of the Provider or residents and shall maintain a record of the amount attributable to each applicant as designated by the Provider.
3. **Investments.** The Provider has entered into an agreement with Ziegler Investment Services Group to provide investment instructions to the Escrow Agent of the funds held in the Waiting List Escrow Account. The Escrow Agent shall invest all amounts held by it from time to time in such obligations of the United States or its agencies (or in shares of a registered investment company which holds a portfolio of such securities) or such certificates of deposit, savings accounts, or other savings or investment securities as Ziegler Investment Services Group may direct in writing.
4. **Reports.** The Escrow Agent agrees, upon the request of the Provider, to issue a statement indicating the status of the Waiting List Escrow Account maintained by the Escrow Agent pursuant to this Agreement. In any event, the Escrow Agent agrees to provide monthly reports to the Provider, which shall include a summary of all additions to and disbursements from the Waiting List Escrow Account attributable to each applicant during the current period, and a detail of the

investments comprising the balance in the Waiting List Escrow Account as of the end of the current period.

5. **Disbursements.** The funds deposited with the Escrow Agent hereunder, or any portion thereof, or any interest or earnings thereon, shall be promptly released to the Provider, or to such persons as directed by the Provider upon written request therefor by the Provider.

6. **Duties.** The Escrow Agent undertakes to perform only such duties as are expressly set forth herein, and no implied duties or obligations shall be inferred or otherwise imposed upon or against the Escrow Agent. The Escrow Agent may act in reliance upon any writing or instrument under signature which it, in good faith, believes to be genuine; may assume the validity and accuracy of any statement or assertion contained in any such writing or instrument; and may assume that any person purporting to give any writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized to do so. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form or manner of execution or validity of any instrument deposited with or delivered to the Escrow Agent hereunder, nor as to the identity, authority, or right of any person executing the same. The duties of the Escrow Agent hereunder shall be limited to the safekeeping of the deposits and other money, instruments, or other documents received by it as Escrow Agent and for its disposition of the same in accordance with the written instruction accepted by it as Escrow Agent.

7. **Indemnity.** The Provider hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits, or proceedings at law or in equity, or any other expense, fees, or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement, unless caused by the Escrow Agent's willful misconduct or gross negligence; and in connection therewith, to indemnify the Escrow Agent against any and all expenses, including attorneys' fees and the cost of defending any action, suit, or proceeding or resisting any claim.

8. **Termination.** Either party may terminate this Agreement upon sixty (60) days' written notice, thereof to the other party, subject to the appointment of its successor by the Provider within such sixty (60) day period. If a successor escrow agent is not appointed by the Provider within the sixty (60) day period, the Escrow Agent may petition the court to appoint a successor. Upon the appointment of such successor escrow agent, the Escrow Agent agrees to deliver to such successor escrow agent all funds and documents in its possession within sixty (60) days from the date of its notice of termination or resignation, or five (5) business days from the date of appointment of the successor escrow agent, whichever occurs first.

9. **Fees.** The Provider shall pay the Escrow Agent its usual and customary fee for services as Escrow Agent as outlined in a Custodial Agreement entered into between the parties. Such fees may be amended from time to time upon mutual agreement between the parties.

10. **Authorized Persons of the Provider.** Escrow Agent has received a list from the Provider of the individuals authorized to act on the Provider's behalf under the terms of this Agreement. The list contains the name, title, and signature of each authorized person. Whenever a change occurs in authorized persons, the Provider will provide a new list to the Escrow Agent.

11. **Governing Law.** This Agreement shall be construed according to the laws of the State of Connecticut.

12. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

13. **Amendments.** The Provider and the Escrow Agent may amend this Agreement at any time upon thirty (30) days prior written notice thereof to the other party.

14. **Notices to the Parties.** All notices given to the Provider or to the Escrow Agent pursuant to this Agreement shall be in writing and shall be delivered via facsimile, first class mail, express courier or personal delivery and shall be deemed given on the date received. The address to which any such notices shall be sent are as set forth below, unless a different address is specified in writing by either party after the date hereof:

If to the Provider:

Essex Meadows Properties, Inc.
Attn: Jennifer Rannestad, Executive Director
30 Bokum Road
Essex, CT 06426
Telephone: (860) 767-7201
Facsimile: (860) 767-0014

If to the Escrow Agent:

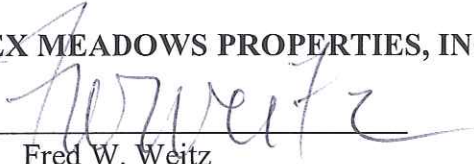
Wachovia Bank, National Association
Attn: Corporate Trust Group
230 4th Avenue North, 7th Floor
Nashville, TN 37219
Telephone: (615) 525-2312
Facsimile: (615) 525-2449

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Waiting List Escrow Agreement effective as of the day and year first above written.

ESSEX MEADOWS PROPERTIES, INC.

By: _____


Fred W. Weitz
President

WACHOVIA BANK, NATIONAL ASSOCIATION

By: _____


Paul Williams
Vice President

EXHIBIT "A"

WAITING LIST AGREEMENT

ESSEX MEADOWS

The undersigned, _____ ("Applicant," or when two people are named in this Agreement, each of them and the survivor of them), and Essex Meadows Properties, Inc. ("Essex Meadows"), the provider of a life-care retirement community known as Essex Meadows, located in Essex, Connecticut ("The Community"), agree as follows:

1. Essex Meadows acknowledges receipt from Applicant of a Confidential Data Application and a payment in the amount of \$ 2,000 made on this date to secure a position on the Waiting List for residency in a living unit at The Community. Applicant's payment under this Agreement shall be held in escrow pursuant to Connecticut law.

2. Applicant acknowledges that the types of living units available at The Community are (i) one-bedroom convertible (studio), (ii) one-bedroom traditional, (iii) one-bedroom deluxe A, (iv) one-bedroom deluxe B, (v) one-bedroom custom A, (vi) one-bedroom custom B, (vii) one-bedroom end unit, (viii) two-bedroom traditional, (ix) two-bedroom deluxe, (x) two-bedroom custom, (xi) two-bedroom deluxe with den, and (xii) two-bedroom custom with den. Applicant has specified below the type(s) of living units for which Applicant wishes to be considered. Applicant will be notified only with respect to the living unit type(s) specified below.

3. Applicant specifically wishes to be considered for the following type(s) of living units:

Call After _____
Month/Year

4. Essex Meadows agrees under the terms of this Agreement to place Applicant's name on the Waiting List for the type(s) of living units specified under Paragraph 3 in the order in which Waiting List Agreements are accepted and executed by Essex Meadows; provided, however, that Applicant will not be notified by Essex Meadows as provided herein until after the date specified under Paragraph 3 of this Agreement. In the order in which Applicant's name appears on the Waiting List, Applicant shall be notified in writing that a living unit specified under Paragraph 3 is available for residency. Availability of a living unit to Applicant may be subject to the rights of existing residents of The Community as set forth in Paragraph 11.

5. In the event Applicant is notified of the availability of a living unit of a type specified above, Applicant shall either:

a. Offer to become a resident of the living unit within five (5) days of the date of Essex Meadows' written notice of the availability of a living unit by (i) executing the then-current Residency Agreement, (ii) furnishing an updated Confidential Data Application, and (iii) paying Essex Meadows the then-current Admission Payments due under the terms of the Residency Agreement for the living unit. Applicant shall be entitled to credit the payment made under this Agreement towards the Admission Payments due upon execution of the Residency Agreement. Upon acceptance of Applicant as a resident of The Community, Essex Meadows will execute the Residency Agreement which shall thereupon supersede this Agreement in all respects, and this Agreement shall be terminated; or

b. Refuse the living unit. Failure to (i) execute the then-current Residency Agreement, (ii) furnish the updated Confidential Data Application, or (iii) pay the required Admission Payments due upon execution of the Residency Agreement, all within five (5) days of the date of Essex Meadows' written notice of the availability of the living unit, shall be deemed to constitute Applicant's refusal of such living unit. Applicant may refuse two (2) living units specified under Paragraph 3 pursuant to a Residency Agreement without loss of Applicant's position on the Waiting List. However, if Applicant refuses a third living unit specified under Paragraph 3, Applicant's name shall be removed from the Waiting List and this Agreement shall be terminated by Essex Meadows. In the event of such termination, Essex Meadows shall refund the payment made by Applicant under this Agreement without interest within sixty (60) days of termination, less an amount of \$ 1,000 which shall be retained by Essex Meadows as a processing fee, and neither party shall have any further obligations to the other. Upon Applicant's refusal of three (3) living units and termination of this Agreement as provided herein, Applicant may apply for a new position on the Waiting List by (i) executing the then-current Waiting List Agreement, (ii) furnishing an updated Confidential Data Application, and (iii) making the payment required under the new Waiting List Agreement. Applicant shall be entitled to credit the refund amount owed to Applicant upon termination of this Agreement towards the payment due upon execution of the new Waiting List Agreement.

6. If Applicant dies while this Agreement is in effect, or because of illness, injury, or incapacity Applicant becomes unable to occupy a living unit at The Community, this Agreement shall be automatically canceled, and the payment made by Applicant under this Agreement shall be refunded in full to Applicant or Applicant's estate without interest within sixty (60) days following receipt by Essex Meadows of notice of Applicant's death or other incapacity, and neither party shall have any further obligations to the other. If there are joint Applicants pursuant to this Agreement, and one Applicant dies while this Agreement is in effect, the surviving Applicant may cancel this Agreement within sixty (60) days, and the payment made by Applicant under this Agreement shall be refunded in full without interest to the surviving Applicant within sixty (60) days from receipt by Essex Meadows of notice of cancellation, and neither party shall have any further obligations to the other. If the surviving Applicant does not so cancel this Agreement, it shall remain in effect. The surviving Applicant may, within the

sixty (60) day cancellation period, elect to be transferred to the Waiting List for a different type of living unit and the order of Applicant's position on the new Waiting List shall be established according to the date on which this Agreement was accepted and executed by Essex Meadows.

7. If at any time within thirty (30) days of the date of this Agreement Applicant cancels this Agreement for any reason, the payment made by Applicant under this Agreement shall be refunded in full without interest within sixty (60) days from receipt by Essex Meadows of notice of cancellation, and neither party shall have any further obligations to the other.

8. If at any time after thirty (30) days Applicant cancels this Agreement for any reason other than the reasons specified under Paragraph 6, the payment made by Applicant under this Agreement shall be refunded without interest within sixty (60) days from notice of cancellation, less an amount of \$ 1,000 which shall be retained by Essex Meadows as a processing fee, and neither party shall have any further obligations to the other.

9. Applicant agrees that at the time Applicant offers to become a resident of an available living unit, Essex Meadows may refuse to accept Applicant for residency at The Community for any of the following reasons:

- a. Applicant is unable to live independently; or
- b. Applicant's residency in The Community would constitute a threat to Applicant's health or safety or to the health or safety of other persons, or would result in physical damage to the property of others; or
- c. Applicant has transferred assets and income thereby impairing Applicant's ability to meet the financial obligations to Essex Meadows under the terms of the Residency Agreement; or
- d. Applicant has misrepresented information to Essex Meadows in the Confidential Data Application.

If Essex Meadows does not accept Applicant as a resident, Essex Meadows will terminate this Agreement upon written notice to Applicant, and all amounts paid by Applicant shall be refunded without interest within sixty (60) days of termination, and neither party shall have any further obligations to the other.

10. This Agreement pertains only to Applicant's position on the Waiting List and the order in which notice of the availability of living units will be given. Essex Meadows has no obligations under the terms of this Agreement to accept Applicant for residency under a Residency Agreement.

11. Applicant acknowledges that Applicant's rights hereunder may be subject to the priority position of existing residents of The Community for available living units in accordance with the policies of Essex Meadows, as they may be amended from time to time.

12. This Agreement shall not become effective until its acceptance and execution by Essex Meadows. Applicant represents that the information contained in the Confidential Data Application attached hereto is true and complete, and Applicant understands that Essex Meadows will rely on such information in determining the acceptance of this Agreement.

13. This Agreement has been executed on behalf of Essex Meadows by its duly authorized agent, and no partner, officer, director, agent, or employee of Essex Meadows shall have any personal liability hereunder to Applicant under any circumstances.

14. Applicant acknowledges receipt of the current Essex Meadows disclosure statement. Applicant further acknowledges that Essex Meadows' obligations to the Applicant with regard to any notice given hereunder shall be satisfied by mailing such notice to the address set forth below, or to such other permanent or temporary address as Applicant may provide Essex Meadows by written notice.

Notice: The payment to be made hereunder may not be fully refundable. Please read this Agreement carefully.

Dated this _____ day of _____, _____.
(month) (year)

Applicant

Applicant

Street Address

City,

State,

Zip Code

Witness

ESSEX MEADOWS PROPERTIES, INC.

By: _____

Authorized Agent

Date: _____

ASSIGNMENT OF WAITING LIST ESCROW AGREEMENT
SCHEDULE 2

U.S. BANK NATIONAL ASSOCIATION
SCHEDULE OF FEES
ESSEX MEADOW PROPERTIES, INC.
ESCROW SERVICES

I. ACCEPTANCE FEE

One-time upfront fee - Waived

Covers review of documents, participation in document conferences, establishing records/accounts, receipt of funds, establishment of procedures and ticklers necessary to perform our duties and monitor the various terms and covenants in the documents.

II. ESCROW ADMINISTRATION FEE

Payable annually in advance - \$2,500 for the first account, \$500 for each additional account

Maintenance of records in connection with the investments held by the Escrow Agent; monitoring of compliance with the Escrow Agreement provisions; receive, invest, disburse and control the movement of funds; settlement of security purchases and sales as directed.

III. OUT-OF-POCKET EXPENSES

All out-of-pocket expenses, including travel expenses, postage, insurance, legal fees, courier expenses and telephone, will be billed at cost.

IV. ACTIVITY CHARGES (if applicable)

- | | |
|----------------------------------------|----------------------------|
| • Wire Transfer (Incoming/Outgoing) | \$25 per wire |
| • Security Transactions (Buy/Sell) | \$25 per settlement |
| • Automatic Cash Investment Management | 25 Basis Points Annualized |
| • (AAA-rated daily money market funds) | (net of income) |

To help fight the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify and record information that identifies each client who opens an account. To this extent, please provide all contact information for parties to the agreement including Tax ID/identification numbers. Our acceptance of this transaction is subject to the review and approval of our New Business Acceptance Committee.

This Schedule applies to the Essex Meadows Properties, Inc. Waiting List Escrow Agreement, as amended. The applicable Escrow Administration Fee is \$500.