

RESIDENCY AGREEMENT AND PROPRIETARY LEASE

THE VILLAGE AT DUXBURY SENIOR LIVING COMMUNITY



290 Kingstown Way (Route 53)
Duxbury, MA 02332
(781) 585-2334

Table of Contents

<u>Section</u>	<u>Page</u>
1. BASIC DATA	1
2. GENERAL SERVICES AND FACILITIES	1
2.1. Basic Agreement	1
2.2. Apartment Furnishings	2
2.3. Community Areas	2
2.4. Included General Services	2
(a) Meals	2
(b) Housekeeping	2
(c) Utilities	2
(d) Emergency System	2
(e) Security	3
(f) Maintenance	3
(g) Transportation	3
(h) Social and Recreational Programs	3
2.5. Additional Services	3
2.6. Alteration to Apartment	4
2.7. Maintenance of Apartment	4
2.8. Vacancy Credit	4
3. ASSISTED LIVING APARTMENTS AND ADJACENT FACILITIES	4
3.1. Assisted Living Apartments	4
3.2. Bay Path	5

3.3.	Nursing Care Transfers	5
3.4.	Nursing Facility Fees	5
4.	PURCHASE OF A SHARE IN THE COOPERATIVE; FEES	5
4.1.	Purchase of Share	5
4.2.	Community Fee	6
4.3.	Monthly and Additional Service Fees	6
4.4.	Fees Payable Upon Sale of Share	6
4.5.	Billing	6
4.6.	Late Charge	6
4.7.	Adjustment Based on Change in Occupancy	7
4.8.	Liability for Charges	7
5.	OCCUPANCY RIGHTS	7
5.1.	Termination of Occupancy Rights	7
5.2.	Effect of Double Occupancy	8
5.3.	Resident's Responsibilities	8
6.	RESALE OF SHARE; TERMINATION OF AGREEMENT	8
6.1.	Resale Any Time; Exclusive Management Agent	8
6.2.	The Cooperative to Establish Sale Procedures	8
6.3.	Waiting List; Qualified Buyers	9
6.4.	Stock Transfer Fee	9
6.5.	Reserve Fund Fee	9
6.6.	Limitation on Aggregate Fees	9
6.7.	Unpaid Fee and Charges; Interest	10
6.8.	Termination of Agreement	10

6.9.	Removal of Property	10
7.	RESIDENT’S RIGHTS AS SHAREHOLDER	10
7.1.	Rights as Shareholder	10
7.2.	Services and Facilities Subject to Change	10
8.	MISCELLANEOUS	11
8.1.	Insurance; Responsibility for Resident’s Property	11
8.2.	Right of Entry	11
8.3.	Indemnification for Negligence	11
8.4.	Occupancy Restrictions	11
8.5.	Power of Attorney and Health Care Proxy: Guardianship	11
8.6.	House Rules; Standards for Operation of The Village	12
8.7.	Absence from The Village; Vacancy Credit	12
8.8.	Damage to The Village	12
8.9.	Pets	12
8.10.	Right to Cure Defaults	12
8.11.	Rights Subject to Mortgages	13
8.12.	Survival	13
8.13.	Entire Agreement	13
8.14.	Binding Effect	13
8.15.	Severability	13
8.16.	Non-Discrimination	13
8.17.	Notices	13
8.18.	Governing Law	14
8.19.	Trust	14

RESIDENCY AGREEMENT AND PROPRIETARY LEASE
THE VILLAGE AT DUXBURY SENIOR LIVING COMMUNITY

1. BASIC DATA

Date: _____

Resident(s):

Trust Name (if applicable)

First Resident _____

Second Resident _____

Apartment or Garden Home Number: _____

Share: Certificate for One (1) Share No. _____

Initial Basic Monthly Service Fee: \$ _____

Initial Dining Service Fee: \$ _____

Initial Housekeeping Service Fee: \$ _____

Community Fee: \$ _____

This is a Residency Agreement and Proprietary Lease (the “Agreement”) with respect to the Independent Living Apartment or Garden Home at The Village identified above (the “Apartment”) by and between the individual(s) identified above (individually and/or collectively “Resident”) and The Village at Duxbury Homeowners Cooperative Corporation (the “Cooperative”), a Massachusetts Cooperative Corporation, which owns and operates The Village at Duxbury in Duxbury, Massachusetts (“The Village”). All references in this Agreement to the term “Apartment” shall refer and apply to the Apartment identified above, whether such Apartment be an Independent Living Apartment or a Garden Home, unless the provision in question expressly provides that it refers and applies only to Independent Living Apartments or Garden Homes, in which case such provision shall be deemed to refer and apply only to Independent Living Apartments or Garden Homes, as the case may be.

2. GENERAL SERVICES AND FACILITIES

2.1. Basic Agreement. Simultaneously with the execution of this Agreement, Resident has purchased one share of common stock in the Cooperative (the "Share"). As owner of the Share and in consideration of the payment to the Cooperative of the Community Fee, in accordance with Section 4.2 hereof, of a monthly fee including the Basic Monthly Service Fee and, if selected, a Dining Service Fee and/or a Housekeeping Service Fee (the "Monthly Fee"), initially in the amount stated above (which amount is subject to change in accordance with this Agreement), and of the other fees and charges herein provided for, including the Stock Transfer Fee and the Reserve Fund Fee as set forth in Section 6 hereof, the Cooperative hereby leases the Apartment to Resident and Resident shall be entitled to occupy the Apartment, and to receive the services and use the amenities described below subject to the By-Laws of the Cooperative (including those provisions generally described in Section 7.2 whereby certain services and facilities provided to Resident may be altered by the Cooperative), all in accordance with the provisions of this Agreement.

2.2. Apartment Furnishings. The Apartment shall be equipped with carpet in selected areas, refrigerator/freezer, range, oven, dishwasher, garbage disposal, washer and dryer, and emergency call alerts (the "Appliances and Furnishings"). With respect to Independent Living Apartments only, one non-designated outdoor parking space (or designated covered parking space, if licensed to Resident) is available for use with the Apartment (recreational and other oversized vehicles will be allowed, subject to space availability, only with the prior approval of the Cooperative) and one designated storage area outside the Apartment will be made available for Resident's personal use.

2.3. Community Areas. Resident, in common with and on the same terms as other Residents of The Village, shall have use of the community areas of The Village.

2.4. Included General Services. During Resident's occupancy of the Apartment, the Cooperative shall provide Resident with the services described below without any extra charge (except as otherwise specified):

(a) Meals. Upon payment of the Dining Service Fee, Resident shall enjoy meal plan service in accordance with the meal plan policy described in the Resident Handbook, as established by the Board of Directors.

(b) Housekeeping. Upon payment of the Housekeeping Service Fee, housekeeping of the Apartment will occur on a scheduled basis, as more fully described in the Resident Handbook (hereinafter identified), and will include vacuuming of exposed carpet surfaces, bathroom cleaning, cleaning of kitchen surfaces, floor washing, and washing and changing of bed linens.

(c) Utilities. Sewer, water, electricity, heat and air-conditioning are provided for the Apartment. The Apartment is centrally wired for telephone and

cable hook-up. Monthly telephone charges and charges for premium cable television and internet services will be paid by Resident.

(d) Emergency System. The Cooperative's personnel will monitor all the emergency alert systems and coordinate emergency responses as appropriate, but in no event shall the Cooperative be liable for failures in the operation of, or of responses to, such systems.

(e) Security. Each building entrance has a security access system. Security personnel will be on duty 24 hours each day.

(f) Maintenance. The Cooperative shall maintain all grounds and community areas and, subject to Section 2.7, shall be responsible for making such repairs, and for providing such maintenance and replacement of the Appliances and Furnishings and the Apartment mechanical systems, as necessary. The replacement of Appliances and Furnishings is subject to the terms of the refurbishment policy established by the Board of Directors which is described in the Resident Handbook. Resident is responsible for all other maintenance to the Apartment including the cost of all repairs and replacements caused by Resident's negligent or intentional acts or omissions.

(g) Transportation. Local transportation to local destinations will be available in accordance with the transportation policy established by the Board of Directors and described in the Resident Handbook.

(h) Social and Recreational Programs. The Resident Services Director will coordinate a variety of social, recreational, educational and cultural programs for Resident and other Residents of The Village.

2.5. Additional Services. The additional services described below (the "Additional Services") will be available at The Village on a fee-for-service basis:

- Additional meal tray service beyond that described in Section 2.4.
- Additional housekeeping beyond that described in Section 2.4 and the Resident Handbook.
- Laundry services for personal items, beyond washing of bed linens as described in Section 2.4.
- Guest rooms on a reservation basis.
- Additional transportation beyond that described in Section 2.4.
- Catering for special occasions.
- Additional and guest meals beyond those available through the meal credits described in Section 2.4.
- Maintenance personnel.

Fees for Additional Services will be charged in accordance with a fee schedule established by the Cooperative and provided to Resident (subject to change as described in Section 4.3), and will be billed to Resident monthly.

2.6. Alteration to Apartment. Structural alterations to the Apartment are not permitted except with the written approval of the Board of Directors. Non-structural alterations to the Apartment (including painting, wallpapering, and installation of bookshelves), installation of non-standard fixtures or features or replacement of Appliances or Furnishings by Resident, will be permitted only with the prior approval of the Executive Director of the Cooperative. For Resident's safety, Resident agrees not to replace, alter or add any locking devices relating to the Apartment.

2.7. Maintenance of Apartment. The Cooperative shall maintain, repair and replace (with the then-standard Appliances) the Appliances and the Apartment's mechanical systems as and when reasonably required. The Cooperative will replace Furnishings in accordance with the refurbishment policy described in the Resident Handbook. Resident shall be liable for the cost of any maintenance, repair or replacement required on account of any negligent or intentional act or omission of Resident or Resident's guests. Resident agrees promptly to advise the Cooperative of any required maintenance, repair or replacement.

Other than those items described in the immediately preceding paragraph, Resident will be responsible for keeping the Apartment in good order and repair, and for keeping the Apartment clean and not wasting energy. The Cooperative's personnel will be available for an additional charge to assist Resident in performing maintenance or repairs for which Resident is responsible. Resident shall neither commit nor permit waste.

2.8. Vacancy Credit. Resident will be granted a vacancy credit for any extended period during which Resident is absent from The Village, as more fully detailed in the then-current form of the Resident Handbook. During any period that a vacancy credit is in effect, no housekeeping services will be provided and no meal credits will be available.

3. ASSISTED LIVING APARTMENTS AND ADJACENT FACILITIES

3.1. Assisted Living Apartments. The Village includes a limited number of assisted living apartments ("Assisted Living Apartment(s)"). If Resident desires to move to an Assisted Living Apartment and meets the standards for living in an Assisted Living Apartment then in effect, Resident will be entitled to a priority right to sublease an Assisted Living Apartment. If Resident moves to an Assisted Living Apartment, Resident shall enter into an Assisted Living Apartment residency agreement and sublease and will thereupon pay the assisted living monthly fee in effect from time to time, as well as charges for personal care services based upon the nature and amount of services provided from time to time.

If a Resident who is the sole individual owning the Share moves to an Assisted Living Apartment:

- (a) the Share owned by such Resident will be required to be sold in accordance with Section 6,
- (b) this Agreement will terminate at the time the purchase by a new Resident of the Share is consummated, and
- (c) subject to the provisions of Section 6.7, effective upon the moving of Resident to an Assisted Living Apartment and the offering of the Share for sale, Resident's obligation to pay the Monthly Fee for the Apartment (less the vacancy credit) shall continue but the time of payment thereof may, at the option of Resident, be deferred, subject to payment of interest on the deferred amounts as provided in Section 6.7, until the sale of the Share is consummated.

3.2. Bay Path. Duxbury Healthcare Partnership d/b/a Bay Path at Duxbury Nursing and Rehabilitation Center ("Bay Path") has agreed to provide nursing services to Resident, if needed and if available. The owner and operator of Bay Path is affiliated with the general partner of The Village at Duxbury Limited Partnership, the developer of The Village, although Bay Path is not operated by the Cooperative, the Developer or the Manager of the Cooperative. Although Bay Path is open to non-residents, if Resident desires to transfer to Bay Path and meets the requirements for admission to Bay Path then in effect, Resident will be afforded the opportunity to be admitted to Bay Path on a priority basis, to the extent permitted by applicable law, regulations and governmental policies.

3.3. Nursing Care Transfers. All determinations concerning transfers to nursing facilities, Assisted Living Apartments, hospitals and other facilities will be made by Resident and Resident's family members or representatives. The Cooperative will not refer Residents to any such facility and will not be a referral source with respect to transfers or otherwise.

3.4. Nursing Facility Fees. Resident will be responsible for paying or causing to be paid all costs associated with a nursing facility in the event Resident is transferred to a nursing facility, including payment of the costs of all basic nursing services, all applicable charges for prescription medications, special equipment, additional services not included in basic nursing services, and any private room surcharges. The Cooperative will never be liable for the costs of Resident's nursing facility care.

4. PURCHASE OF A SHARE IN THE COOPERATIVE; FEES

4.1. Purchase of Share. Simultaneously with the execution of this Agreement, Resident has acquired the Share, and has pledged the Share under the terms of a Pledge

and Security Agreement as collateral security for the payment and performance of Resident's obligations hereunder and thereunder.

4.2. Community Fee. Simultaneously with the execution of this Agreement, a Community Fee (the "Community Fee") in the amount of two percent (2%) of the purchase price of the Share shall be due and payable by Resident to the Cooperative. The Community Fee paid with respect to any Apartment or Garden Home shall not be refunded by the Cooperative.

4.3. Monthly and Additional Service Fees. The initial Monthly Fee shall be the amount shown in Section 1. Upon not less than thirty (30) days prior notice to Resident, the Monthly Fee may be adjusted by the Cooperative. The Monthly Fee for the first month of occupancy is payable on the date of this Agreement, prorated on a daily basis as appropriate. The Monthly Fee (less the vacancy credit described in Section 8.6, if applicable) shall be payable until the sale of the Resident's Share is consummated and a new Residency Agreement and Proprietary Lease is executed by the purchaser in accordance with Section 6.

Fees for Additional Services will be charged in accordance with the Additional Services fee schedule established from time to time by the Cooperative. The Additional Services fee schedule is subject to change at any time upon not less than thirty (30) days prior notice to Resident.

Special assessments, approved by the Cooperative's Board of Directors, will also be paid by Resident.

4.4. Fees Payable Upon Sale of Share. As set forth in Section 6 below, a Stock Transfer Fee and a Reserve Fund Fee are due and payable by Resident upon the sale of the Resident's Share. A Reduced Stock Transfer Fee and Reduced Reserve Fund Fee is payable if Resident is selling the Share in order to live in another Independent Living Apartment or Garden Home at The Village as a Resident Shareholder. See Section 6 below for terms and conditions applicable to the Stock Transfer Fee and the Reserve Fund Fee, including the Reduced Stock Transfer Fee and the Reduced Reserve Fund Fee.

4.5. Billing. On or about the 15th day of each month, Resident will be billed for Additional Services fees incurred by Resident through the billing date in such month and for the Monthly Fee for the next following month. All bills are due and payable in full not later than the last day of the month in which rendered.

4.6. Late Charge. Resident shall be in default if, and the Cooperative will assess Resident a delinquency charge of one and one half percent (1½%) per month (or the maximum amount allowed by applicable law, if less) of, the amount due if the Monthly Fee or Additional Services fees are not paid in full on or before the 10th day of the calendar month next following the month in which billing therefore is rendered, except if deferral of such Monthly Fee is permitted by Section 3.1.

4.7. Adjustment Based on Change in Occupancy. If the Apartment is occupied by two individuals and only one is determined to require transfer to a nursing facility, a transfer to an Assisted Living Apartment unit, or a transfer to another health care facility for an extended stay, or one such individual dies, leaves The Village or surrenders possession of the Apartment to the other, the Monthly Fee will be adjusted to reflect the single occupancy rate then in effect for the Apartment. In addition, the provisions of Sections 3.1 and 3.4, insofar as each concerns resale of the Share, shall not be applicable to any such resale.

If Resident desires to have another individual live in the Apartment (including a new spouse), such individual may become a Resident and live in the Apartment only if such individual meets the standards for admission to The Village then in effect and both individuals who will occupy the Apartment execute a new Residency Agreement designating both as "Resident". A new certificate for the Share also will be issued designating each individual as a joint owner with right of survivorship. In such event, the Monthly Fee will be adjusted to reflect the double occupancy rate then in effect for the Apartment.

4.8. Liability for Charges. If Resident consists of two individuals, each such individual is jointly and severally liable with the other for the payment of the Monthly Fee, Additional Services fees and all other amounts required to be paid to the Cooperative pursuant to the provisions of this Agreement. If the Cooperative institutes legal action or other proceedings to enforce the provisions of or to recover amounts payable to the Cooperative under this Agreement, Resident shall be liable for all reasonable legal fees and costs incurred by the Cooperative in connection with all such proceedings.

5. OCCUPANCY RIGHTS

5.1. Termination of Occupancy Rights. A Resident who is the sole individual owning a Share and occupying an Apartment shall sell Resident's Share and terminate Resident's occupancy of the Apartment if any of the following circumstances occur:

- (a) Upon Resident's failure to pay the Monthly Fee, Additional Services fees or any other amounts payable under this Agreement when due, Resident's violation of any other provision of this Agreement or Resident's repeated violation of The Village's rules and regulations if such violation is not cured prior to the expiration of thirty (30) days after notice to Resident; or
- (b) Upon the death of Resident; or
- (c) Upon a determination by the Board of Directors that the Resident constitutes a direct threat to the health or safety of themselves or other individuals at The Village or that continued occupancy would result in substantial physical damage to Village or Resident property, including a determination by the Board of Directors, based upon a determination and recommendation of the Executive Director of the Cooperative, that the Resident is not capable of providing or

arranging for, or has failed to provide or arrange for, his or her own health care or personal care needs while he or she resides at The Village; or

(d) Upon termination of this Agreement as provided in Section 6.8.

If Resident's right of occupancy of an Apartment is terminated for any reason set forth in paragraphs (a) through (d), Resident will be required to sell the Share as provided in Section 6. This Agreement shall remain in full force and effect until the sale of Resident's Share is consummated and a new Residency Agreement and Proprietary Lease is executed by the purchaser in accordance with Section 6. From the date the Apartment is vacated until the date the sale of the Share is consummated, the Monthly Fee (less a vacancy credit as described in Section 8.6 and except to the extent deferral of fees is explicitly provided for in this Agreement and requested by Resident) and other amounts payable under this Agreement shall continue to be paid by Resident. Resident services provided by The Village shall cease when Resident moves out of the Apartment.

5.2. Effect of Double Occupancy. If the Apartment is occupied by two individuals and one dies, leaves The Village or surrenders possession of the Apartment to the other, the remaining individual will continue to have all rights of occupancy of the Apartment under this Agreement, and the Monthly Fee will be adjusted to reflect the then applicable single occupancy rate payable for the Apartment.

5.3. Resident's Responsibilities. Resident shall make no gift of real or personal property or make any unreasonably speculative investment that could impair Resident's ability to satisfy Resident's financial obligations under this Agreement. If Resident's sources of income are insufficient to meet Resident's financial responsibilities to the Cooperative, Resident shall make all reasonable efforts to obtain assistance elsewhere, including taking necessary steps to obtain applicable local, county, state or federal aid or assistance. In this connection, Resident hereby irrevocably constitutes and appoints the Cooperative as Resident's attorney in fact coupled with an interest with full power of substitution, effective during the term hereof and thereafter for so long as any financial obligations hereunder remain unpaid, for purposes of obtaining such assistance and executing any and all documents in furtherance thereof.

6. RESALE OF SHARE; TERMINATION OF AGREEMENT

6.1. Resale Any Time; Exclusive Management Agent. Resident may resell the Share at any time in accordance with this Section and the Cooperative's By-Laws; Resident agrees that the Cooperative shall be the exclusive agent for resale of the Share. Accordingly, any resale of the Share, for whatever reason, must be handled through the Cooperative, which may delegate this function to any management agent of the Cooperative.

6.2. The Cooperative to Establish Sale Procedures. The By-Laws of the Cooperative establish the procedure for sale of all Shares of stock in the Cooperative, including the Share, and Resident's Share and any sale thereof is subject to such By-Laws, as amended from time to time.

6.3. Waiting List; Qualified Buyers. The Cooperative will use reasonable efforts to maintain a waiting list of persons desiring entrance to The Village. Resident may sell the Share only to a purchaser who is determined by the Cooperative to meet the criteria for occupancy of an apartment at The Village, and such determination will be made by the Cooperative in the Cooperative's sole discretion. Resident will have a priority right of purchase ahead of those on such waiting list if Resident ever seeks to relocate to another apartment in The Village.

6.4. Stock Transfer Fee. A Stock Transfer Fee will be due and payable by Resident to the Cooperative upon the sale of the Resident's Share, in an amount equal to the lesser of: (a) 1% of the gross proceeds of such sale for each month that this Agreement has been in effect, or (b) 10% of such gross proceeds of such sale. A Reduced Stock Transfer Fee will be charged if Resident is selling the Share in order to live in another Independent Living Apartment or Garden Home at The Village as a Resident Shareholder, in an amount equal to the lesser of: (a) 1% of the gross proceeds of such sale for each month that this Agreement has been in effect, or (b) 5% of the gross proceeds of such sale. The Stock Transfer Fee will not be reduced if Resident ceases to be a Resident Shareholder or moves to an Assisted Living Apartment.

6.5. Reserve Fund Fee. In addition to the Stock Transfer Fee, a Reserve Fund Fee will be due and payable by the Resident to the Cooperative upon the sale of the Share, in an amount equal to five percent (5%) of the gross proceeds of such sale if the listing of the applicable Apartment for sale occurs on or after January 2011 and at the rate of three percent (3%) of the gross sales proceeds if the rate change occurs prior to January 2011. A Reduced Reserve Fund Fee will be charged if Resident who is selling the Share in order to live in another Independent Living Apartment or Garden Home at The Village as a Resident Shareholder, in an amount equal to two and one-half percent (2½%) of the gross proceeds of such sale. The Reserve Fund Fee will not be reduced if Resident ceases to be a Resident Shareholder or moves to an Assisted Living Apartment.

6.6. Limitation on Aggregate Fees. Notwithstanding any other provisions of this Agreement, the amount payable by Resident upon the sale of the Share with respect to the sum of (x) the Community Fee paid upon purchase of the Share by Resident, (y) the Stock Transfer Fee paid upon sale of the Share by Resident and (z) the Reserve Fund Fee paid upon sale of the Share by Resident, shall not in the aggregate exceed one percent (1%) of the gross purchase price originally paid by such Resident Shareholder for such Share multiplied by the number of months that Resident owned such Share. If the application of this paragraph results in the calculation of fees payable with respect to the aggregate of the Community Fee, the Stock Transfer Fee and the Reserve Fund Fee that is less than would be payable without regard to the aforesaid 1% per month limitation, then the Stock Transfer and Reserve Fund Fees shall be reduced proportionally. This

paragraph shall not apply if Resident is selling the Share in order to live in another Independent Living Apartment or Garden Home at The Village as a Resident Shareholder.

6.7. Unpaid Fees and Charges; Interest. If a resale occurs and Resident has failed to pay any amounts payable under this Agreement, including Monthly Fees for any period the Apartment was vacant (less the vacancy credit described in Section 8.7), Resident shall pay to the Cooperative from the proceeds of the sale all amounts owed to the Cooperative, plus interest thereon at a rate of interest adjusted per annum (January 1) as approved by the Board of Directors of the Cooperative, from the date such fees were incurred.

If a resale of the Share results from Resident's relocation from the Apartment to an Assisted Living Apartment, Resident shall pay to the Cooperative from the proceeds of the sale all amounts owed to the Cooperative, including all Monthly Fees deferred pursuant to Section 3.1, plus interest thereon at a rate of interest adjusted per annum (January 1) as approved by the Board of Directors of the Cooperative, from the date of such transfer through the date of payment of all such amounts, but in no event later than the date of consummation of the sale of the Share.

6.8. Termination of Agreement. The term of this Agreement shall end on the first to occur of the date the Share is transferred to a new Resident who executes the then current form of Residency Agreement and Proprietary Lease approved by the Cooperative (a "Closing") or April 30, 2093 (unless extended by the parties).

6.9. Removal of Property. At least three weeks prior to the scheduled Closing of the resale of Resident's Share, Resident shall remove all of Resident's personal property from the Apartment or Garden Home. If such property is not removed from The Village within three weeks of the Closing, the Cooperative may place such property in a commercial bonded warehouse at the expense and risk of Resident or Resident's estate.

7. RESIDENT'S RIGHTS AS SHAREHOLDER

7.1. Rights as Shareholder. As a Shareholder of the Cooperative, Resident is entitled to one vote. If two individuals constitute Resident under this Agreement, the Share is owned jointly with right of survivorship, and the Share must be voted as a single unit. Resident may vote the Share in person or by written proxy, as provided in the Cooperative's By-Laws, as the same may be amended from time to time. The Cooperative's By-Laws contain a full description of Resident's Shareholder rights.

7.2. Services and Facilities Subject to Change. Resident agrees to abide by the actions of the stockholders of the Cooperative, pursuant to the Cooperative's By-Laws, that result in any modification of the obligations of the Cooperative under this Agreement.

8. MISCELLANEOUS

8.1. Insurance; Responsibility for Resident's Property. The Cooperative shall maintain casualty and public liability insurance and Resident shall, upon request, be entitled to receive a summary of such insurance coverage. Resident acknowledges that insurance maintained by the Cooperative does not cover Resident's personal property, the contents of the Apartment or liability for damages or injury to others. Hence, Resident is urged to maintain appropriate personal property and liability insurance for occurrences involving the Apartment. In addition, Resident shall be liable for the entire deductible amount under such insurance so maintained by the Cooperative or Resident. In the event of Resident's death or transfer from The Village, the Cooperative will exercise ordinary care in temporarily safekeeping Resident's personal property at The Village. If such property is not removed from The Village within two weeks for an Apartment or three weeks for a Garden Home of the Closing, the Cooperative may place such property in a commercial bonded warehouse at the expense and risk of Resident or Resident's estate.

8.2. Right of Entry. Resident hereby authorizes employees and agents of the Cooperative to enter the Apartment at reasonable times and upon reasonable notice for the purpose of providing services, repairs, maintenance, alterations, pest control and inspection, showing to prospective purchasers and in the event of a medical or other emergency.

8.3. Indemnification for Negligence. Resident shall indemnify, protect and hold harmless the Cooperative from and against any loss, damage, injury or expense incurred by the Cooperative as a result of any negligent or intentional acts or omissions of Resident or Resident's invitees or guests. Such agreement of indemnification shall include the obligation to defend any claim or proceeding brought thereon with counsel reasonably satisfactory to the Cooperative and the payment of all legal fees and expenses incurred in connection therewith.

8.4. Occupancy Restrictions. Occupancy of the Apartment and attendant use of the community facilities is limited exclusively to the Resident(s) named above and Resident's guests. Guests occupying the Apartment either for more than fourteen (14) days during any calendar quarter or if the Resident is not actually present, may do so only with the prior approval of the Cooperative. The Resident will be responsible for the conduct of, and for payment of any charges incurred by, Resident's guests. The Apartment is intended for the personal residential use of Resident only. Limited professional or commercial use is allowable only with the approval of the Cooperative. No transferee, assignee or subsequent owner of the Stock shall have any right to use the Apartment, the Cooperative's facilities, the general services or any of the Additional Services, unless such individual has been approved by the Cooperative to be a "Resident" and unless all fees required of a new Resident have been paid.

8.5. Power of Attorney and Health Care Proxy; Guardianship. Resident shall maintain a current durable power of attorney authorizing one or more named individuals to act for Resident and on Resident's behalf in all matters related to Resident's person or

property and shall provide a copy to the Cooperative. Resident shall also maintain a current Health Care Proxy designating one or more individuals to act for Resident in making decisions with respect to Resident's healthcare in the event Resident should be incapable of making such decisions and shall provide a copy to the Cooperative. The Cooperative retains the right to institute proceedings for the appointment of a guardian and/or conservator if Resident becomes incompetent to care for him/herself or Resident's property. Resident shall be responsible for the cost of these proceedings.

8.6. House Rules; Standards for Operation of The Village. The Cooperative will establish rules and regulations for the orderly operation and management of The Village and the health, safety, welfare, peace and comfort of the Residents of The Village, and Resident agrees to abide by such rules and regulations as they may exist from time to time. Such rules and regulations will periodically be set forth in the Resident Handbook.

8.7. Absence from The Village; Vacancy Credit. Resident agrees to notify the Cooperative's management in advance of any contemplated overnight or longer absence from The Village. Resident will receive a vacancy credit allowance in accordance with the Resident Handbook, prorated on a daily basis for absences of at least thirty (30) consecutive days, provided notice is given to the Cooperative not less than ten (10) days prior to any such absence. Advance notice is requested, but not required, for health related absences. In the case of an absence from The Village, regardless of whether notice has been given, The Village shall be relieved of all obligations to provide any of the general or Additional Services listed in sections 2.4 and 2.5 above during such period of absence (other than utilities, maintenance and security).

8.8. Damage to The Village. If a portion of The Village is damaged by fire, flood, storm or other casualty or cause, the Cooperative will proceed diligently to repair and restore same, if practicable. If more than 90% of the real estate constituting The Village is damaged or subject to a condemnation or taking by eminent domain, the Cooperative shall have the option of rebuilding or terminating this Agreement.

8.9. Pets. One (1) cat may be kept at any time in an Apartment or Garden Home, provided that such cat shall be kept indoors only and shall not be allowed outdoors. One (1) dog owned by a Resident at the time of move-in may be kept in an Apartment or Garden Home with the approval prior to move in of the Executive Director. However, upon the death of such a dog, the Resident may neither replace it nor keep a dog in the Apartment or Garden Home thereafter. A Resident keeping a pet will be responsible for the full replacement cost of all carpets in the Apartment or Garden Home and in addition the cost to repair any damage the Cooperative determines is attributable to the pet. In addition, Resident will also comply with the Cooperative's rules and regulations, including limitations on the type, breed or size of pet that may be maintained. Residents maintaining pets are subject to the pet-related refurbishment fees described in the refurbishment policy in The Resident Handbook. Residents keeping pets agree to remove the pet from The Village upon request of the Cooperative in the event of repeated violations of such rules and regulations or repeated complaints from neighbors.

8.10. Right to Cure Defaults. The Cooperative, upon such notice to Resident as is reasonable under the circumstances, may, but will not be under any obligation to, cure any failure by Resident to pay or perform any of Resident's agreements or obligations under this Agreement. If the Cooperative elects so to cure any such failures, all costs and expenses incurred in connection therewith, including reasonable attorney fees and expenses and interest on any such sums at a rate per annum equal to eighteen (18) percent, will be assessed against Resident. Resident shall also reimburse the Cooperative for all expenses incurred by the Cooperative in enforcing Resident's obligations under this Agreement, including the payment of all reasonable legal fees and expenses incurred in connection therewith.

8.11. Rights Subject to Mortgages. If the land and the buildings on which The Village is located is subject to a mortgage(s), Resident's rights under this Agreement are subject in all respects to the provisions of such mortgage.

8.12. Survival. The payment, indemnification and other liabilities and obligations of Resident hereunder for and during the term hereof shall survive the expiration or other termination of this Agreement.

8.13. Entire Agreement. This Agreement, the Resident Handbook, the Articles of Organization and the By-Laws of the Cooperative, each as may be amended from time to time, and Resident's application for The Village and related documents, constitute the entire agreement between Resident and the Cooperative with respect to the subject matter hereof. The Cooperative will not be liable for, or bound by, any subsequent statements, representations or promises made to Resident by any person representing or purporting to represent the Cooperative, unless such statements, representations or promises are expressly set forth in writing and duly executed on behalf of the Cooperative. The term "including" means "including but not limited to".

8.14. Binding Effect. This Agreement is binding upon the successors and assigns of the Cooperative and the heirs and personal representative of Resident. The provisions of this Agreement are not assignable or transferable in whole or in part by Resident and any purported assignment or transfer shall be void. Resident may neither sublet nor license all or any part of the Apartment, except that subleases may be permitted with the prior written consent of the Board of Directors of the Cooperative.

8.15. Severability. Each provision of this Agreement will be deemed separate from each other provision and the invalidity or unenforceability of any provision will not affect the validity or enforceability of the balance of this Agreement; provided, however, that the Cooperative may terminate this Agreement if for any reason the payment liabilities and obligations of Resident under this Agreement are determined to be invalid or unenforceable and Resident ceases to make such payment hereunder.

8.16. Non-Discrimination. The Cooperative is operated to provide the facilities and services described in this Agreement to individuals regardless of race, color, sex, religion, creed or national origin.

8.17. Notices. Any notice to the Cooperative by Resident shall be given in writing and mailed or delivered to the Cooperative at the administrative office of the Cooperative or at such other address as the Cooperative may designate in writing by like notice. Any notice to Resident or approval by the Cooperative shall be given in writing and mailed or delivered to Resident's Apartment or to such other address as Resident may designate in writing by like notice.

8.18. Governing Law. This Agreement is governed by the law of the Commonwealth of Massachusetts, as in effect from time to time.

8.19. Trust. If the Resident designated hereunder is a trust, the rights and privileges of Resident shall be solely for the benefit of the beneficiary or beneficiaries of the trust entitled to occupy the Apartment.

Executed under seal on behalf of the Cooperative and by Resident as of the day and year first set forth above.

Signed, sealed and delivered
in the presence of:

THE VILLAGE AT DUXBURY HOMEOWNERS
COOPERATIVE CORPORATION

Witness: _____
Name: _____

BY: _____
Authorized Signatory

Witness: _____
Name: _____

RESIDENT: _____
Name: _____

If Resident is a trustee of a trust, attach a true copy of the declaration of trust and a certificate of the trustee(s) thereunder evidencing authority to execute this Agreement, and insert name of the Trust Beneficiary(ies) entitled to occupy the Apartment:

SIGNATURE OF BENEFICIARY: _____
Name of Beneficiary: _____

SIGNATURE OF BENEFICIARY: _____
Name of Beneficiary: _____

SIGNATURE OF TRUSTEE: _____
Name of Trustee: _____

SIGNATURE OF TRUSTEE: _____
Name of Trustee: _____

Signed, sealed and delivered
in the presence of:

Witness: _____
Name: _____