



## RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT (called "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Messiah Home, a Pennsylvania non-profit corporation d/b/a Messiah Lifeways at Messiah Village, (called "Messiah Village") and \_\_\_\_\_ (called "Applicant" and when two individuals apply, the term "Applicant" shall refer to them jointly and severally where the context permits).

### RECITALS:

Messiah Village is in the process of constructing new cottage residences;

Applicant desires to reside in a cottage and has applied for admission to Messiah Village; and

Messiah Village has reviewed and conditionally accepted Applicant's Application for Residency, subject to Applicant's current and continuing ability to meet the financial and other conditions of occupancy to Messiah Village and subject to the execution of a Residency Agreement.

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, Messiah Village and Applicant agree as follows:

**1. Selection of Cottage, Ten Percent (10%) Deposit of Entrance Fee, and Execution of Reservation Agreement.**

Messiah Village will reserve the new cottage located at \_\_\_\_\_ for Applicant in exchange for payment of a deposit in the amount of \$ \_\_\_\_\_ which is equal to ten percent (10%) of the Entrance Fee, less the Priority Deposit, and the execution of this Agreement, so long as payment is made within 10 days of the execution of this Agreement.

**2. Selection of Structural and Finishing Upgrades.**

Applicant shall have the opportunity to select certain structural and finishing upgrades. Selections will be recorded on Attachment B to the Residency Agreement.

Structural Upgrades will require a 25% deposit at the time of construction for a new cottage or, for a partially-completed cottage, at the time of selection of such upgrades. Applicant is obligated to pay the 75% balance on or before the Designated Occupancy Date or occupancy, whichever is earlier. If Applicant terminates this Agreement and the Residency Agreement, then the 25% deposit is non-refundable. If Applicant becomes a resident, then the charge for Structural Upgrades will be added to the Entrance Fee for

purposes of calculating the amortization of the Entrance Fee and any applicable Entrance Fee refunds.

Finishing Upgrades will require payment of 100% of the charge at the latter of the time of selection or the start of construction for a new cottage or, for a partially-completed cottage, at the time of selection of such upgrades. This payment is non-refundable and does not become part of the Entrance Fee for purposes of calculating the amortization schedule or any applicable Entrance Fee refunds.

**3. Balance of Entrance Fee.**

Applicant is obligated to pay the remaining balance of ninety percent (90%) of the Entrance Fee on or before the date the selected residence becomes available for occupancy (the "Designated Occupancy Date") or occupancy, whichever is earlier. Messiah Village will notify Applicant by certified mail, or other reasonable form of written communication, of the Designated Occupancy Date at least thirty (30) days prior to the Designated Occupancy Date.

**4. Termination of Agreement and Refund of Fees Paid Prior to Occupancy.**

In the event that Applicant is precluded from taking occupancy of the reserved cottage due to injury, illness, incapacity or death, then Messiah Village, within thirty (30) days of the effective date of the termination of this Agreement, shall refund in full all Entrance Fee payments made by Applicant, less the cost of any Finishing Upgrades paid by Applicant and, if applicable, 25% of Structural Upgrades. Where two individuals have signed this Agreement, the injury, illness, incapacity or death of one Applicant shall not constitute termination of this Agreement, and no refund shall be due. If Applicant terminates this Agreement, but is not precluded from taking occupancy of the reserved cottage due to injury, illness, incapacity or death, then Messiah Village, within thirty (30) days of the effective date of the termination of this Agreement, shall refund any Entrance Fee payments made by Applicant, less a Processing Fee of five hundred dollars (\$500.00) and the cost of any Finishing Upgrades paid by Applicant and, if applicable, 25% of Structural Upgrades.

**5. Residency Agreement.**

Upon the execution of the Residency Agreement contemplated herein, this Agreement shall be terminated, except for the payment and forfeiture provisions, and will be superseded by the Residency Agreement.

**6. Promotional Offers.**

In the event that Messiah Village, subsequent to the execution of this Agreement, engages in marketing activities which include promotional offers whereby the type of residence selected by Applicant is offered for an Entrance Fee amount which is less than the Entrance Fee amount offered to Applicant under this Agreement, then Applicant shall not be eligible to participate in such promotional offers, and the terms of this Agreement relative to the amount of the Entrance Fee shall remain in full force and effect. Promotional offers are applicable only to applicants or prospective residents who have not yet executed a Reservation Agreement. Messiah Village reserves the right, in its sole discretion, to extend any promotional offers to Applicant.

**7. Continuing Disclosure Requirement.**

Applicant shall disclose at any time prior to occupancy any changes in the Applicant's physical, mental, or financial condition that may impact on Applicant's ability to satisfy the conditions of occupancy. Depending on the lapse of time and other circumstances, a second physical examination and an update on Applicant's financial disclosure may be required prior to signing the Residency Agreement and before admission to Messiah Village.

**8. Possible Revocation of Conditional Approval of Application for Residency.**

Any material changes in Applicant's physical, mental, or financial condition that affects Applicant's ability to satisfy the conditions of occupancy that arise between the execution of this Agreement and the execution of the Residency Agreement may result in the revocation of the conditional approval of Applicant's Application for Residency.

**9. Contingencies of Construction.**

All construction plans are contingent on acceptable market demands and financing requirements, and all Designated Occupancy Dates are approximate and may vary according to changes in approvals, weather conditions, market demands, and other factors which are beyond Messiah Village's control. In the event that any of the above contingencies are not satisfied to Messiah Village's satisfaction, Messiah Village reserves the right to rescind this Agreement, and shall refund any deposits made prior to the Designated Occupancy Date by Applicant toward the total Entrance Fee together with any interest earned. Upon the rescission and termination of this Agreement, Messiah Village is released from any further obligations to Applicant except for the payment of any refund which may be due, and Applicant is released from any further obligations to Messiah Village.

**10. Notice.**

Notice, when required by the terms of this Agreement, shall be deemed to have been properly given, if and when delivered personally or, if sent by certified mail, return receipt requested, when postmarked, postage prepaid and addressed as follows:

To Messiah Village: Kristen Heisey, VP of Marketing and Communication  
Messiah Village  
100 Mt. Allen Drive  
Mechanicsburg, PA 17055

To Applicant: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**11. Severability.**

The various provisions of this Agreement shall be severable one from another. If any provision of this Agreement is found by a court or administrative body of proper jurisdiction and authority to be invalid, the other provisions shall remain in full force and effect as if the invalid portion had not been part of this Agreement.

**12. Governing Law.**

This Agreement shall be interpreted according to the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties, intending to be legally bound, have duly executed this Agreement as of the date written below.

Attest:

\_\_\_\_\_  
Messiah Village Representative      Date

\_\_\_\_\_  
Witness      Applicant      Date

\_\_\_\_\_  
Witness      Applicant      Date