

LEASE

THIS Lease made and entered into this ____ day of _____, 20 ____, by and between NORWAY SHORES, INC. (hereinafter "Norway Shores"), as Landlord, and _____, (hereinafter "Tenant"), as Tenant.

WITNESSETH:

WHEREAS, Norway Shores owns and operates the retirement residential unit facility for the elderly at Wind Lake, in the Town of Norway, Racine County, Wisconsin.

WHEREAS, Tenant, a person or persons 62 years of age or older, has made written application for tenancy and associated services.

WHEREAS, Norway Shores and Tenant are agreeable that rights, duties and obligations of the parties arising out of such tenancy and service be defined.

NOW, THEREFORE, Norway Shores, for and in consideration of the covenants and agreements hereinafter mentioned and set forth to be kept by the Tenant, hereby leases to the Tenant the following described premises, hereinafter "Residential Unit", to wit:

Residential Unit No. _____
Norway Shores
7435 Wind Lake Road
Wind Lake, WI 53185

This Lease is upon the following terms and conditions to which the parties hereto agree:

I. Tenant Defined. The parties hereby agree that the word "Tenant" shall mean the person signing this Lease who is to be an occupant of Norway Shores and who is 62 years of age or older, and shall mean all of the persons who sign this Lease if more than one (1) person has signed this Lease to become an occupant of Norway Shores .

Tenant hereby certifies and affirms that he or she meets the above definition.

II. Term.

A. This Lease shall be for a term of one (1) year, commencing on the _____ day of _____, 20 ____, and ending on the _____ day of _____, 20__.

B. This Lease shall be automatically renewed, without notice from either party, on identical terms for a like successive lease term unless either party shall, at least sixty (60) days before the expiration of the Lease, notify the other in writing of the termination of the Lease. Norway Shores will give Tenant written notice of this provision at least fifteen (15) days, but no more than thirty (30) days, prior to the sixty (60) day period beginning to run.

III. Rent.

A. Tenant hereby agrees and covenants to pay to Norway Shores as rent for the Residential Unit for the term hereof the sum of _____ and 00/100 Dollars (\$ _____), payable in equal monthly installments of _____ and 00/100 Dollars (\$ _____), commencing on the 1st day of the term hereof and continuing monthly thereafter on the 1st day of each and every month of said term. Rent shall include the Residential Unit occupancy and other amenities which presently are carpeting, draperies, individual mail boxes, main entrance security system, individual HVAC unit for heating and air conditioning the Residential Unit, cable TV connections, refrigerator and stove, garbage and trash disposal, dishwasher, snow removal, unreserved outdoor parking space for not more than two (2) vehicles, and grounds keeping and recreational areas. Utilities for the Residential Unit and telephone charges are not included in the monthly rent and shall be the responsibility of the Tenant. Sewer fee shall be payable to Norway Shores in addition to the monthly rent.

B. All payments for the rent and other fees shall be paid in advance on

the first day of each month. Rent payable for less than one (1) full month shall be prorated on a daily basis. Tenant's obligation to pay the rent shall commence on the occupancy date pursuant to Paragraph II above. Absence from the unit for whatever reason does not change Tenant's obligation to pay the monthly rent or other fees under this Lease, nor does termination of this Lease in accordance with terms and provisions of Paragraph VI hereof.

C. Norway Shores reserves the right to increase the amount of the Tenant's monthly rent to cover increases in actual costs, reasonable reserves and inflation. Norway Shores shall notify Tenant of the rent increase at least 30 days prior to the date payment of the increased rent is first due. The notice shall specify the amount of the increase and the date the first payment of the increased rent is due.

IV. Security Deposit. On the execution of this Lease, Tenant shall pay to Norway Shores a security deposit in an amount equal to two (2) months rent, not to exceed \$1,000.00, receipt of which is acknowledged by Norway Shores. The deposit, less any amounts withheld, will be returned to Tenant at Tenant's last known address within 21 days after Tenant vacates and surrenders the premises. If any portion of the deposit is withheld, Norway Shores will provide an accompanying itemized statement specifically describing any damages and accounting for any amount withheld. Failure to return the deposit or provide a written accounting within 21 days will result in the waiver of any claim against the deposit. The reasonable cost of repairing any damages caused by Tenant, normal wear and tear excepted, will be deducted from the security deposit. Tenant has seven (7) days after the beginning of the lease term to notify Norway Shores in writing of damages and defects in the premises; no deduction from Tenant's security deposit shall be made for any damages or defects of which notification is given.

V. Use. The Residential Unit shall be used by the Tenant as and for a single-family apartment/residence.

VI. Termination. In addition to the right of either party to terminate this Lease

under subparagraph II(B), it is understood and agreed that this Lease may be terminated in accordance with the following:

A. Incapacity. If the administration of Norway Shores determines, in consultation with the Tenant's physician, that the Tenant is substantially incapable of managing his/her property or himself/herself by reason of infirmities of aging, developmental disabilities, or other like incapacities, Norway Shores may terminate this Lease upon the expiration of a 60-day period which shall commence on the date of written notice of said incapacity to the Tenant.

B. Death. In the event of Tenant's death, the Tenant's Personal Representative may terminate this Lease by giving 60 days written notice to Norway Shores.

C. Financial Default. Any default by Tenant in the payment of financial obligations due Norway Shores shall terminate this Lease upon the expiration of a 15-day period which shall commence on the date of written notice of said default to the Tenant.

The Tenant may cure such default and prevent termination of this Lease by paying in full all outstanding obligations due Norway Shores within said 15-day period. If the default is not cured within the 15-day period, Norway Shores may, in accordance with the Wisconsin Statutes and Administrative Code, remove the Tenant and the Tenant's property from Norway Shores.

D. Non-Financial Default. Any default by Tenant in the observance of any non-financial obligations shall terminate this Lease upon the expiration of a 30-day period which shall commence on the date of delivery of a notice of termination to the Tenant. The notice shall set forth, with reasonable specificity, the nature of the default of non-financial obligations by the Tenant. The Tenant may prevent termination of this Lease by curing the default within said 30-day period. The administration of Norway Shores shall, in its sole discretion, determine if the Tenant has cured the default and is thereby in compliance with this Lease. If the default is not cured within the 30-day period, Norway Shores may, in accordance with the Wisconsin Statutes and

Administrative Code, remove the Tenant and the Tenant's property from Norway Shores.

E. Material Misrepresentation. Norway Shores may terminate immediately upon written notice to Tenant if Tenant has made any material misrepresentation or omission in his or her application.

F. Disposal of Property. Upon termination of this Lease, Norway Shores may promptly remove all the Tenant's property from the Residential Unit and provide for storage of said property. Such property will be stored by Norway Shores without charge for 30 days. Thereafter, Norway Shores may charge a reasonable storage fee. If the Tenant's property is not removed from Norway Shores within 60 days, Norway Shores may dispose of such property as it sees fit in its sole discretion, and in accordance with the Wisconsin Statutes.

VII. Double Occupancy. If Tenant consists of two (2) persons and both are signatories to this Lease, and both intend to occupy a single Residential Unit, and thereafter one (1) of the signatories to this Lease dies or this Lease is terminated in accordance with the provisions in Section VI, the surviving or remaining person then in residence may continue to occupy the Residential Unit, and shall pay the appropriate monthly fee. If the surviving person residing in the Residential Unit at the time of the death of a signatory hereof, or at the termination of this Lease, as aforesaid, is not a signatory to this Lease, then such person shall have no right to continue to occupy the Residential Unit subsequent to the death of the signatory or the termination of this Lease and such person shall vacate said Residential Unit within 30 days following the death of the signatory or the termination of this Lease.

VIII. Health Care. The payment of the security deposit and regular monthly rent does not provide for nursing services, medical services or personal care services. Should special health care including skilled nursing care be required, the Tenant is responsible for all charges in an appropriate facility and for payment of regular monthly Residential Unit rent and any other fees hereunder. In case of an extended illness which requires hospitalization and/or admittance to a

nursing home, the Tenant may maintain his/her right to occupancy of his/her Residential Unit by prompt payment of all regular monthly rent and fees.

It is recommended that the Tenant shall obtain and maintain a personal physician within a radius of 30 miles of the facility prior to admission and during all times Tenant resides in Norway Shores.

IX. Services and Benefits. Norway Shores shall provide to Tenant the following benefits and services throughout the entire period this Lease is in effect.

A. Tenant shall be entitled to exclusive occupancy and use of Residential Unit herein described located within Norway Shores. Norway Shores shall not alter the size or structure of the Residential Unit without the prior, written consent of Tenant and only following full disclosure of the type and extent of the proposed alteration.

B. Norway Shores shall reasonably maintain the Residential Unit and all common grounds and buildings located within Norway Shores. Maintenance of the Residential Unit shall include reasonable repairs and maintenance not required by neglect or willful acts by the Tenant.

C. Norway Shores shall provide and maintain a security system for entry to the building and emergency call system.

X. Garage. If this paragraph is initialed by the parties below, Norway Shores agrees to lease to Tenant Garage Unit No. _____. In consideration for the use of said Garage Unit, Tenant agrees to pay additional rent in the amount of \$_____ per month in advance on the first day of each calendar month beginning on the 1st day of _____, 200___. Tenant shall be entitled to use said Garage Unit on a month to month basis, terminable by sixty (60) days' written notice or termination of this Lease.

The Garage Unit shall be used for normal residential garage purposes, and Tenant covenants and agrees that no motor vehicle repair or maintenance shall be done in the Garage Unit

and Tenant shall not keep or have on the garage premises anything of a toxic, hazardous, dangerous, inflammable or explosive character that might reasonably increase a danger of fire on the leased premises or that might be considered hazardous by any responsible insurance company.

XI. Severability. This Lease shall be governed by and construed according to the laws of the State of Wisconsin. If it should appear that any of the terms herein are in conflict with any such laws, then the terms of this Lease which are in conflict shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to such laws, and this Lease as so modified shall remain in full force and effect.

XII. Liability and Insurance.

A. Norway Shores is not liable to the Tenant for any injury to the Tenant's person or property occasioned by the action or inaction of any other Tenant or employee of Norway Shores. In addition, Norway Shores is not liable for loss or injury to property of the Tenant due to theft, fire, water damage or other casualty, and the Tenant is responsible to insure against such losses. If the Tenant chooses not to insure, it will be his/her personal risk, and he/she will be personally responsible for any such losses unless he/she insures against such losses.

B. Norway Shores shall keep the building in which the Residential Unit is located insured against loss or damage by fire with extended coverage endorsement in an amount not less than 80 percent of the full insurable value as determined from time to time.

C. Each of the parties hereto does hereby release the other party hereto from all liability for damage due to any act or neglect of the other party (except as hereinafter provided) occasioned to property owned by said parties which is or might be incident to or the result of a fire or any other casualty against loss for which either of the parties is now carrying or hereafter may carry insurance; provided, however, that the releases herein contained shall not apply to any loss or damage occasioned by the willful, wanton, or premeditated act or negligence of either of the parties hereto, and the parties hereto further covenant that any insurance that they now have

or may obtain on or with relation to the premises shall contain an appropriate provision whereby the insurance company or company's consent to the mutual release of liability contained in this Section.

XIII. Damage or Destruction.

A. In the event the Residential Unit is damaged, destroyed or rendered unusable for residential purposes by fire or other casualty insured against by Norway Shores, Norway Shores shall promptly repair (but only from the insurance proceeds released by the holder of any mortgage lien upon the building of which the Residential Unit is a part) the Residential Unit and restore the same to substantially the condition in which it was immediately prior to the happening of such casualty. Norway Shores' obligation to repair shall not extend to any improvements or property of the Tenant.

B. This Lease shall not terminate nor shall there be any abatement of the basic monthly rental as a result of fire or other casualty.

C. Notwithstanding the foregoing, in the event that the Residential Unit or the building of which said unit is a part is damaged or destroyed to such an extent that the cost to repair, rebuild or replace the same will equal or exceed fifty percent of the sound values thereof immediately prior to the damage, Norway Shores shall have the option to terminate this Lease effective as of the date of such casualty, by giving to the Tenant written notice of such termination within 60 days after the happening of such casualty.

D. In the event Norway Shores elects to terminate this Lease pursuant to this section, Norway Shores shall, within 45 days of the receipt of the full amount of insurance proceeds payable as a result of said casualty, refund to Tenant one hundred percent of the monthly rent paid pursuant to this Lease from and after the date of election as described in subparagraph C above, less any monies owed to Norway Shores by said Tenant.

XIV. Assignment. The Tenant's rights, powers and privileges under this Lease including any rights to refund of entrance fee are not assignable. The Tenant may not sublet the

Residential Unit in whole or in part.

XV. Rules and Regulations. The Tenant shall observe and comply with "The Rules and Obligations" attached hereto, the rules and regulations now existing or as hereafter from time to time amended by Norway Shores. The rules and regulations and amendments thereto are hereby made a part of this Lease.

XVI. Waste, Nuisance Or Unlawful Use. Tenant agrees that Tenant will not commit waste on the premises, or maintain or permit to be maintained a nuisance on the premises, or use or permit the premises to be used in an unlawful manner.

XVII. Subordination Of Lease To Mortgage. Norway Shores reserves the right to subject and subordinate this Lease at all times to the lien of any mortgage or mortgages now or hereafter placed upon the Residential Unit, and the Tenant covenants and agrees to execute and deliver upon demand such further instruments subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by Norway Shores or any mortgagees or proposed mortgagees, and hereby irrevocably appoints Norway Shores the attorney-in-fact of the Tenant. Provided, however, if Tenant is not in default under the terms of this Lease, the owner and holder of such mortgage may not cancel this Lease in the event of the appointment of a receiver or the foreclosure of the Residential Unit.

XVIII. Public Authority - Condemnation. If, by any action of the public authorities or any similar cause or reason not within the scope of Paragraph XII above, the Residential Unit or any part thereof shall have become untenable for the Tenant's use as a single-family apartment/residence, the parties shall have the same options, rights and obligations as provided in said Paragraph XII above.

XIX. Right of Entry. The Tenant recognizes and accepts the right of Norway Shores to enter the Tenant's Residential Unit in order to carry out the purpose and intent of this Lease. Such entry includes but is not limited to (a) response to the emergency call system, (b)

response to automatic fire alarm system, (c) entry by authorized personnel in the event that the Tenant is reported missing or having not responded to a call, (d) scheduled maintenance procedures, (e) inspection and (f) correction of condition which the manager or other authorized representative of Norway Shores determines must be performed for the health or safety of any Tenant. Norway Shores recognizes the Tenant's right of privacy and its responsibility to limit entry to the Residential Unit to matters as set forth in this paragraph.

XX. Quiet Enjoyment. If and while the Tenant shall and does perform all and singular the covenants herein agreed to be performed by the Tenant, Norway Shores shall and does hereby warrant and defend the Tenant in the enjoyment and peaceful possession of the Residential Unit during the term of this Lease or any renewal thereof.

XXI. Notices. All notices to a party to this Lease required or permitted by this Lease shall be mailed or delivered and shall be deemed to have been given when deposited in the United States mail in a sealed envelope with postage prepaid thereon, or when delivered as follows:

LANDLORD : Norway Shores, Inc.
7435 Wind Lake Road
Wind Lake, WI 53185

TENANT : _____

XXII. Entire Agreement. This instrument contains the entire agreement of the parties and correctly sets forth the rights, duties and obligations of each to the others as of its date. Any prior agreements, promises, inducements, negotiations or representations not expressly set forth in this Lease are void and of no force and effect.

IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

Witness:

Tenant

Tenant

NORWAY SHORES, INC.

BY: _____

