

(2) "ENTRANCE FEE" INCLUDES A FEE OF SIMILAR FORM AND APPLICATION, REGARDLESS OF TITLE.

(3) "ENTRANCE FEE" DOES NOT INCLUDE A SURCHARGE.

REVISOR'S NOTE: This subsection is new language derived without substantive change from former Art. 70B, § 7(j).

Defined terms: "Continuing care" § 10-401

"Subscriber" § 10-401

"Surcharge" § 10-401

(L) EXPANSION.

(1) "EXPANSION" MEANS ANY SINGLE NEW CAPITAL ADDITION TO AN EXISTING FACILITY THAT MEETS EITHER OF THE FOLLOWING CRITERIA:

(I) IF INDEPENDENT OR ASSISTED LIVING UNITS ARE TO BE CONSTRUCTED, THE NUMBER OF UNITS TO BE CONSTRUCTED IS LESS THAN OR EQUAL TO 25% OF THE NUMBER OF EXISTING INDEPENDENT AND ASSISTED LIVING UNITS; OR

(II) IF INDEPENDENT OR ASSISTED LIVING UNITS ARE NOT TO BE CONSTRUCTED, THE TOTAL PROJECTED COST EXCEEDS THE SUM OF:

1. 10% OF THE TOTAL OPERATING EXPENSES, LESS DEPRECIATION, AMORTIZATION, AND INTEREST EXPENSE OF THE FACILITY AS SHOWN ON THE CERTIFIED FINANCIAL STATEMENT FOR THE MOST RECENT FISCAL YEAR FOR WHICH A CERTIFIED FINANCIAL STATEMENT IS AVAILABLE; AND

2. THE AMOUNT OF THE EXISTING RESERVES PROPERLY ALLOCABLE TO, AND ALLOCATED FOR, THE EXPANSION.

(2) "EXPANSION" DOES NOT INCLUDE RENOVATION AND NORMAL REPAIR AND MAINTENANCE.

REVISOR'S NOTE: This subsection is new language derived without substantive change from former Art. 70B, § 7(k).

In the introductory language of this subsection, the reference to an addition to "an existing facility" is added for clarity.

Defined terms: "Certified financial statement" § 10-401

"Facility" § 10-401

(M) FACILITY.

"FACILITY" MEANS A PHYSICAL PLANT IN WHICH CONTINUING CARE IN A RETIREMENT COMMUNITY IS PROVIDED IN ACCORDANCE WITH THIS SUBTITLE.

REVISOR'S NOTE: This subsection is new language derived without substantive change from former Art. 70B, § 7(m).

Defined term: "Continuing care in a retirement community" § 10-401