



## DISCLOSURE STATEMENT

Dated: June 1, 2024

Name of Facility: GIVENS ESTATES  
Location: 2360 Sweeten Creek Road  
Asheville, North Carolina 28803  
Telephone No.: (828) 274-4800

In accordance with Chapter 58, Article 64 of the North Carolina General Statutes of the State of North Carolina:

- This Disclosure Statement may be delivered until revised, but not after October 28, 2025;
- Delivery of this Disclosure Statement to a contracting party before execution of a contract for continuing care is required;
- This Disclosure Statement has not been reviewed or approved by any government agency or representative to ensure accuracy or completeness of the information set out.



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THIS DISCLOSURE STATEMENT IS FURNISHED TO COMPLY WITH THE REQUIREMENTS OF ARTICLE 64, CHAPTER 58, OF THE GENERAL STATUTES OF NORTH CAROLINA AND SUPERSEDES DISCLOSURE STATEMENT DATED June 1, 2023.

## **I. ORGANIZATION INTRODUCTION AND INFORMATION**

### **ORGANIZATION AND AFFILIATION**

Givens Estates is a North Carolina non-profit corporation chartered in 1975. The Givens Estates, Inc. and Subsidiaries is the provider for Givens Estates, Givens Highland Farms, LLC and Gerber Park 60. Givens Estates and Givens Highland Farms are licensed in North Carolina by the Department of Insurance as continuing care retirement communities and refer to themselves as life plan communities. Givens Gerber Park 60 is 82 rental apartments and not a continuing care retirement community. The address for The Givens Estates, Inc. and Givens Estates (the facility) is 2360 Sweeten Creek Road, Asheville, North Carolina, 28803. The Givens Estates, Inc. is affiliated with the Western North Carolina Conference of the United Methodist Church (“the Conference”). The Conference elects all members of The Givens Estates, Inc. Board of Directors. The Conference is not responsible for any financial or contractual obligations of The Givens Estates, Inc. The affiliation between The Givens Estates, Inc. and the Conference is set forth in the Statement of Relationship (Attachment 1).

The Company is affiliated with The Great Laurels, Inc., the General Partner of The Senior Residences at LakeJunaluska, LP, which consists of 64 Tax Credit and 36 HUD apartments.

The Company is a member of Gerber Park of Asheville, LLC, the managing member of Gerber Park of Asheville, LLC, which consists of 42 Tax Credit and 78 HUD apartments.

The Company is a managing member of Gerber Park of Asheville III LLC, the managing member of Givens Gerber Park III LLC, which consists of 60 Tax Credit apartments.

Givens Affordable Communities, Inc., an affiliate of Givens Estates, manages and provides on-site employees for the Givens Gerber Park and Great Laurels Communities.

Givens Choice, LLC is a wholly owned subsidiary of the Company and is a continuing care at home program for seniors living in Western North Carolina.

LifeMinistries, LLC is a wholly owned subsidiary of the Company and is a community-based, health focused outreach ministry.

None of the affiliated organizations of The Givens Estates, Inc. are responsible for any financial or contractual obligations of Givens Estates or Givens Highland Farms.

### **NON-PROFIT STATUS**

As a non-profit corporation, Givens Estates has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and comparable provisions of North Carolina law. All of its real and personal property has been exempt in previous years from ad valorem property taxation by Buncombe County and the City of Asheville.

## **ACCREDITATION AND PROFESSIONAL ASSOCIATIONS**

Givens Estates has been nationally accredited since 1993. It received its most recent accreditation in 2018 from The Commission on Accreditation of Rehabilitation Facilities (CARF). In addition, Givens Estates is an active member of LeadingAge, LeadingAge NC, AHCA (American Health Care Association), and NCHCFA (NC Health Care Facilities Association).

## **LICENSURE**

Givens Estates is licensed to provide continuing care in North Carolina in accordance with State law. The license is issued by the North Carolina Department of Insurance. Givens Estates Health Center is licensed by the North Carolina Division of Health Service Regulation to operate 70 skilled nursing facility beds. Of the 70 skilled beds, 56 are Medicare and Medicaid certified and 14 are Medicare certified only. Givens Estates' Richard A. Wood Assisted Living Center is licensed by the North Carolina Division of Health Service Regulation to operate 56 adult care beds. Further, Givens Estates is licensed by the North Carolina Division of Health Service Regulation to operate Givens Estates Home Care agency.

## **FITCH RATING**

The Givens Estates, Inc. has received a "A-" rating by Fitch Ratings, a global investment rating agency. This rating is based on Givens Estates' high occupancy levels, strong operating performance, and sufficient liquidity.

**VISION STATEMENT**  
Endless Possibilities, Vibrant Aging

**MISSION STATEMENT**  
Creating Community, Empowering Lives

**CORE VALUES**  
Our core values are People Passionate, Make a Difference, Power of Community,  
and Do What's Right

**People Passionate**

We value every person. We strive to respect, support, enrich, and empower one another.

**Make a Difference**

We honor our legacy of making a difference in the lives of others. We see opportunities in challenges, seek creative solutions, and work tirelessly to ensure that we are improving and innovating to be a positive force in our community.

**Power of Community**

We are better and more creative when we work together. We harness the power of community for the greatest possible impact through collaboration, strong relationships, and embracing diversity.

**Do What's Right**

We act with integrity and accountability, recognizing what is right is not always easy or popular. We take responsibility for our decisions, persevere through challenges, and are good stewards of our resources.

## WELLNESS PHILOSOPHY

Givens believes an individual's quality of life is enhanced through a healthy and balanced lifestyle. Wellness is a continual process and includes taking personal responsibility for one's mind, body and spirit. Givens supports purposeful living by providing opportunities in the following dimensions of wellness:

- Social: Fostering meaningful interactions within a diverse community
- Physical: Promoting personal fitness and health goals
- Spiritual: Inspiring a life of meaning, value and purpose
- Emotional: Facilitating an awareness and acceptance of one's feelings
- Intellectual: Stimulating the use of one's mind
- Environmental: Exercising stewardship to our environment
- Recreational/Avocational: Encouraging self-expression and personal development

Givens provides quality resident-centered care in a Christian environment and supports residents during major life changes. Furthermore:

- Givens affirms and practices the preservation of personal dignity, individuality and the blending of support with independence.
- Givens provides a multi-disciplinary, holistic approach to meeting residents' dynamically changing needs.
- Residents are empowered to make individual choices and decisions regarding their living environment, services they receive, medical treatment and advance directives.
- Givens assists residents in making decisions by ensuring they are fully informed about their options in a respectful and sensitive manner.



## II. FACILITY INTRODUCTION AND INFORMATION

### CAMPUS LOCATION AND CAPACITY

Givens Estates is a continuing care retirement community located on a 215-acre campus in Asheville, North Carolina. Living accommodations include 59 single-family cottages, 67 houses and duplexes, 72 Creekside apartments, 80 Friendship Park apartments, 23 villas and 189 main building apartments; 47 assisted living accommodations (“Wood Assisted Living”); and a 70-bed health care facility (“Givens Estates Health Center”) of which 70 beds are licensed as nursing care (skilled) beds (56 are Medicare and Medicaid certified and 14 are Medicare certified only). Givens Estates offers primarily fee-for-service contracts. The Memory Care clinic, UMAR Home, 5,766 square foot grounds building, and 5,000 square foot maintenance facility are located on the property.

### OCCUPANCY

As of December 31, 2022, Givens Estates had 654 residents occupying independent living residences, 43 residents in Wood Assisted Living, and 51 residents in Givens Estates Health Center for a total of 748 residents.

### COMMUNITY AMENITIES

Wellness center with indoor pool, spa, exercise rooms, aerobics room, hiking trails, performing arts center, casual dining venues, private dining rooms, living rooms, chapel, library media center, business center, ATM, craft room, art studio, woodworking facility, billiards room, pottery room, health clinic, pharmacy, classrooms, greenhouse, and gardens.

### SENIOR MANAGEMENT TEAM

Givens Estates management consists of the Executive Director, Associate Director, Health Services Director and seven Department Directors primarily responsible for the daily operations.

#### **Kirsten L. Cone, Givens Estates Executive Director**

Ms. Cone has been Executive Director since January 2024. Ms. Cone has worked in healthcare and aging services since 1997. She started her career and is still a licensed Physical Therapist. She has led a variety of teams across all levels of care (IL, AL, ALZ, SNF) throughout the country. Before coming to Givens Estates, Ms. Cone was employed as the Program Director for CarePartners PACE (Program of All-inclusive Care for the Elderly) in Asheville, North Carolina. She is responsible for the Givens Estates independent, assisted living and health services operations. She is a past Board Member of the International Council on Active Aging and presently serves on the Advisory Board for Kisco Senior Living. She is a graduate of The University of Connecticut with a Bachelor of Science in Physical Therapy and received her Master of Business Administration from The North Carolina- Greensboro.

**Robert Underwood, Health Services Director**

Robert is a native of Asheville, North Carolina with a passion for working with the aging population. He started his career at Givens Estates in May 2008 as a Dining Services employee. He continued with this position for 10+ years during his time in college. Robert obtained his Bachelor of Science in Athletic Training from East Carolina University, and he obtained his Master of Science in Occupational Therapy in 2018 from American International College in Springfield MA. He returned to North Carolina and began working as an Occupational Therapist at a skilled nursing facility in Forest City. During that time, Robert advanced his career to become the Director of Rehabilitation Services, and obtained his license as a Nursing Home Administrator and was Assistant Administrator for the same facility in Forest City.

**David Kerestes, CPA, Controller**

Mr. Kerestes has been Controller at Givens Estates since 2020 and was Controller at Givens Highland Farms since 2014. Mr. Kerestes is a Certified Public Accountant licensed in North Carolina (2003). He is a graduate of Wilkes University with a B.S. in Accounting and received his Master of Business Administration from Western Carolina University. His experience includes 2 years in law firm industry and 13 years in public accounting. He was an auditor in the CCRC industry for 10 years at Dixon Hughes Goodman and for 7 of those years worked as the Audit Manager for both the audits of The Givens Estates, Inc., and the previous ownership of Givens Highland Farms. He is the Treasurer for the Terpsicorps Theatre of Dance, and also has served on the Audit Review Team for the United Way of Asheville and Buncombe County.

## SENIOR MANAGEMENT TEAM OF THE GIVENS ESTATES, INC.

### **Kevin C. Schwab, President and Chief Executive Officer**

Kevin Schwab has more than twenty-seven years of finance, accounting, investment and operations experience in various industries. Mr. Schwab joined Givens Communities in 2021. Supported by a senior management team and department managers, Mr. Schwab is responsible for the overall organization, which serves approximately 1,550 residents and currently employs more than 500 full and part-time staff. Along with the senior management team, he is responsible for Givens Estates, a Life Plan Community in Asheville; Great Laurels, an affordable community for seniors in Waynesville; Highland Farms, a Life Plan Community in Black Mountain; Gerber Park, an affordable and middle-income community for seniors in Asheville; Givens Choice, a continuing care at home program for seniors living in Western North Carolina; Givens Home Care, a program to provide in-home services to Givens Life Plan communities residents; and LifeMinistries, a community-based, health-focused outreach program. Before joining Givens Communities, Mr. Schwab was most recently the CEO of St. Camillus (Milwaukee, WI) since 2016 and has worked at St. Camillus for over twenty years in multiple capacities, previously as CFO and COO. He is a Certified Public Accountant (CPA) and a licensed Nursing Home Administrator in the State of Wisconsin. Kevin earned a Bachelor's degree in Accounting from Marquette University and a Master's in Business Administration from the University of Wisconsin Milwaukee

### **Allen D. Squires, CPA, FHFMA, Chief Financial Officer**

Mr. Squires has been Chief Financial Officer since 1995. He is responsible for the financial operations of the Corporation, including the annual operating budget, financial reporting, forecasts, third party reimbursement, etc. He is a Certified Public Accountant. He serves on the Investment Committee of the United Methodist Foundation of Western North Carolina, Inc.; and the Finance Committee of LeadingAge North Carolina. Prior to coming to Givens, Mr. Squires was Assistant Controller for a hospital in Grundy, Virginia; Chief Financial Officer for a psychiatric hospital in Hickory, North Carolina; and Senior Auditor for Deloitte and Touche. He is a graduate of Appalachian State University with a BA in Business Administration.

### **Scott M. Farkas, CPA, Chief Operating Officer**

Scott Farkas returned to Givens Communities as the Chief Operating Officer in October 2023. Scott has over 15 years in the nonprofit healthcare sector and is a Certified Public Accountant (CPA). His professional journey began in public accounting at Dixon Hughes, where he consulted nonprofits, hospitals, governmental entities, and senior living providers. In September 2012, Scott began his career with Givens as the Controller at Givens Highland Farms. His exceptional leadership played an instrumental role in navigating the campus through an acquisition transition, culminating in the establishment of a financial foundation alongside his colleagues. Mr. Farkas became the Controller at Givens Estates starting in 2014 through December 2020, when he left to serve as the Chief Financial Officer at ThriveMore, a senior living provider with multiple locations in NC. In this capacity, Scott shouldered the responsibility of ensuring formidable financial performance, spearheading the transformation of an underperforming facility through divestiture and acquisition, and facilitating the organization's unwavering growth trajectory. Beyond his financial acumen, Scott engaged in a collaboration with Sales and Marketing, amplifying the organization's census while diligently streamlining operational efficiencies across all facets of the enterprise.

## BOARD OF DIRECTORS

**Givens Estates is governed by a volunteer Board of Directors**, which meets quarterly. Board committees provide leadership throughout the year in support of the community's mission and vision. The Board consists of twenty-four (24) persons who are approved by the Western North Carolina Annual Conference of the United Methodist Church. The terms of these Directors are staggered so that each Class has eight (8) persons elected for a term of three (3) years and serving no more than six (6) successive years. Ten (10) ex-officio Directors from the Western North Carolina Annual Conference of the United Methodist Church, clergy from United Methodist Churches in the Blue Ridge and Smoky Mountain Districts, and current and recent past Presidents of Resident Council also serve as Board members.

## EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

### **Mr. Joseph P. McGuire, Chairperson**

P.O. Box 3180 Asheville, NC 28802

Mr. McGuire is an attorney who is President of McGuire, Wood & Bissette, P.A. The law firm serves as general counsel for Givens Estates. Legal services are performed when requested. No retainer agreement is in effect with reference to such legal services. During 2022, the law firm billed Givens Estates a total of \$41,774.00. Mr. McGuire's community service includes: Board Member of Leadership Asheville Forum, Lenoir-Rhyne University and the Martin Luther King, Jr. Association of Asheville and Buncombe County. Mr. McGuire is a member of Central United Methodist Church, where he is an usher and a Sunday school teacher. He has been a Givens board member since 2015, is on the Executive Committee, and served on the Audit Committee.

### **Mr. Horace S. Jennings, Vice Chairperson**

27 Forest Rd., Asheville, NC 28803

Mr. Jennings is the retired Chief Administrative Officer at Stony Point Group. He is the former Vice President for Wells Fargo Corporate Bank. Mr. Jennings has served on the Finance Committee for Biltmore Forest Country Club and was previously on the Central United Methodist Church Administrative Council. He is a member of Central United Methodist Church, Asheville. He has been a board member since 2014, is on the Executive Committee and Chair of the Finance, Human Resource and Group Health Plan Committee.

### **Mrs. Rebekah M. Lowe, Secretary**

12 Trafalgar Circle. Asheville, NC 28805

Mrs. Rebekah Lowe is the Chief Executive of FizzyWork Executive Coaching and the former Regional President of Wachovia Bank. She is the Vice President of the MemoryCare Board and a volunteer at the Room In The Inn. A former Board Member of the Chamber of Commerce, the YMCA, Brevard College, United Way Leadership in Asheville and Palm Beach Atlantic University. She is a member of the International Coach Federation and the Western Carolinas Coaches. She is a member of the First Baptist Church of Asheville, an Ordained Deacon and is a former finance committee member there. She joined the board in 2020, served on the Investment Committee, currently serves on the Executive Committee, and is the Chair of the Resident and Health Services Committee.

**Mr. Larry B. Harris, Assistant Secretary**

101 Richard Lane, Black Mountain, NC 28711

Mr. Harris is a retired Certified Public Accountant (CPA) with a background in financial and tax planning, with PARSEC Financial. His community involvement includes former Mayor of Black Mountain, board member of Mission Hospital (HCA), French Broad River Metropolitan Planning Organization, past chair of the Land of Sky Regional Council, and he is active with CarePartners, and Buncombe County Audit Committee. He served on the executive committee of Deerfield Retirement Community and is active in Rotary. He is a member of Christ Community Church Montreat. He joined the board in 2022, served on the Nominating Committee, currently serves on the Executive Committee, the Audit Committee, and is chair of the Advancement Committee.

**Mr. Kenneth W. Swayze, Jr., Treasurer**

111 Finley Street, Hendersonville, NC 28739

Mr. Swayze is the retired Senior Vice President and the Director of Fiduciary Services of First Citizens Bank, Hendersonville. His community service includes Treasurer of the Henderson County Salvation Army Advisory Board; serves on the Investment Committee of the Henderson County Community Foundation; board member of the Trust Education Foundation; Faculty of The Southeastern Trust School at Campbell University; and Kiwanis Club of Hendersonville. Mr. Swayze is a member of First United Methodist Church, Hendersonville and is the Treasurer of the church's Endowment Committee. He has served previously on the board and has been a board member most recently since 2011. He is currently serving on the Executive Committee and the Investment Committee.

**Mr. Charles L. Frederick – Co -Assistant Treasurer**

24 Powder Creek Trail., Arden, NC, 28704

Mr. Frederick is the TD Bank, North Carolina Market President. He is the past Chair of the Board of the YMCA of Western North Carolina, the Vice Chair of the AB Tech Foundation, and Vice Chair of the N.C. Bankers Association. He is a member of Skyland United Methodist Church where he is the Chair of the Finance Committee, the Vice Chair of the Administrative Board as well as a member of the Planning Committee. He joined the board in 2019 and currently serves on the Executive Committee and is Chair of the Investment Committee.

**Ms. Alisa J. Brown – Co -Assistant Treasurer**

385 N. Haywood Street, Suite 3. Waynesville, NC 28786

Ms. Brown is a Certified Public Accountant (CPA) at Ray, Bumgarner, Kingshill & Assoc., P.A. She performs tax work and governmental and nonprofit audit work. She is an active volunteer and Board Member at Wilderness Trail, a backpacking ministry. She is a member of the NC Association of CPA's and she is a member of the First United Methodist Church Waynesville where she is on the Membership Team and Finance and Stewardship Committees. She joined the board in 2020, currently serves on the Executive Committee, and serves as Chair of the Audit Committee.

**Mr. G. Edward Towson, II, Immediate Past Chair**

7 Brookwood Road, Asheville, NC 28804

Mr. Towson is a Certified Public Accountant (CPA). His community service includes Board Treasurer of the Asheville Symphony Society; Chair of the Asheville Civitan Club Foundation Board; Board Treasurer of the Community Foundation of Western North Carolina; past board member of WCQS Public Radio; and UNCA Foundation. Mr. Towson is on the Administrative Board of Central United Methodist Church, Asheville. He has served on the board at various times since 1999 and has been on the Executive Committee since 2010 and currently serves as Chair of the Nominating Committee.

**Mr. Kevin C. Schwab**, President and Chief Executive Officer, (see Administrative staff above).

## BOARD OF DIRECTORS AND CONTACT INFORMATION

### **Mrs. Donna A. Broadwell – 392 Vanderbilt Rd., Asheville, NC 28803**

Mrs. Broadwell was previously employed by Givens Estates as a Marketing Associate and is currently a community volunteer. She is a member of Central United Methodist Church, Asheville and a lay delegate to the Western North Carolina Conference of the United Methodist Church. She has served previously on the board and been a board member most recently since 2010 and has served on the Executive Committee, the Nominating Committee, served as Chair of the Nominating Committee, and is an honorary life member of the Board.

### **Dr. Kelli R. Brown, Chancellor – Western Carolina University**

501 HF Robinson, 1 University Drive, Cullowhee, NC 28723

Dr. Brown is the Chancellor at Western Carolina University, formerly served in different administrative and teaching roles within higher education. Her community service roles include the Rotary Club and Circles of Jackson County. Dr. Brown holds organizational memberships with numerous higher education organizations and those affiliated with current role as Chancellor. Kelli joined the board in 2023 and is on the Resident and Health Services Committee.

### **The Reverend Doctor Mary W. Brown – 27 Church Street, Asheville, NC 28801**

Dr. Brown is Senior Minister of Central United Methodist Church, Asheville and a member of the Western North Carolina Conference. She has been an Ex-officio board member since 2023.

### **The Reverend Karen Easter-Bayne – 204 6<sup>th</sup> Avenue West, Hendersonville, NC 28739**

The Reverend Easter-Bayne is the Senior Minister at First United Methodist Church Hendersonville, and is a member of the Western North Carolina Conference. She earned a BA degree and Master of Regional Planning degree from UNC-Chapel Hill, and her Master of Divinity degree from Candler School of Theology at Emory University. She has been an Ex-officio board member since 2021. She serves on the Resident and Health Services Committee.

### **Mr. Adam K. Ennis – 658 N. Country Club., Brevard, NC, 28712**

Mr. Ennis is the Chief Financial Officer of the National Development Council. Prior to joining the National Development Council, he was a Senior Associate at Dixon Hughes PLLC (now DHG). He received his Bachelor's degree in Finance and Banking from Appalachian State University, and has a Master of Science in Accountancy from the University of North Carolina at Wilmington. Adam is a member of the Brevard First Methodist Church where he serves on the Foundation Board. He joined the board in 2019 and serves on the Finance, Human Resource and Group Health Plan Committee.

### **Ms. Murphy H. Fletcher – P.O. Box 3180. Asheville, NC 28802**

Ms. Fletcher is an associate with McGuire, Wood & Bisette Law Firm in Asheville helping businesses and individuals navigate local, state, and federal tax issues. She also works in the area of employment law. Her community involvement includes participation in the Litigation Section of the North Carolina Bar Association, the North Carolina Association of Women Attorneys and Pisgah Legal Services. She joined the board in 2020 and serves on the Finance, Human Resource and Group Health Plan Committee.

**Dr. Margaret Kuhn** – 550 1 Warren Wilson College Road, Swannanoa, NC 28778

Dr. Kuhn co-owns two veterinary clinics in Asheville, Animal Hospital East and Animal Hospital South. She is a longtime member of Groce United Methodist Church. She joined the board in 2021 and serves on the Nominating Committee.

**Dr. Suzanne E. Landis** – 10 W. Kensington Rd. Asheville, NC 28804

Dr. Landis is a retired MAHEC Physician who has served Givens Estates residents. She is a Gerontologist as well as a professor. She started Project Access, one of the most innovative, successful community health programs in the country. She serves on the Medical Society Foundation Board, the Health Partners Board and the American Project Access Board. Dr. Landis is a member of the Grace Covenant Presbyterian Church. She joined the board in July 2018 and serves on the Resident and Health Services Committee.

**Mr. William Mance** – 105 Poppy Lane, Asheville, NC 28752

Mr. Mance is a retired Vice President for Human Resources for Mission Hospitals. Prior to joining the health system, he was Western Region Manager for WCI, a human resources consulting organization, located in Asheville. He is a retired U.S. Army colonel, officer in the Army Medical Service Corps. His service to the community includes UNC-TV, Asheville Self Help Credit Union, SCORE, The Community Foundation of WNC, American Hospital Association Board, MAHEC, and more. Mr. Mance is a member of St. Matthias Episcopal Church. He joined the board in 2022 and serves on the Finance, Human Resource and Group Health Plan Committee.

**Mrs. Connie B. Martin** – 350 Holly Hill Drive. Marion, NC 28752

Mrs. Connie B. Martin is a retired Elementary Education Teacher and has served on the McDowell County Volunteer Board, as well as the Hospice of McDowell County and Marion City Planning Boards. She is a member of the McDowell County NAACP, YMCA and TOPS. Mrs. Martin is a member of Addie's Chapel UMC. She joined the board in 2018 and serves on the Resident and Health Services Committee.

**Mr. F. Patrick McGuire** – 645 Si Knob Road. Cullowhee NC, 28723

Mr. McGuire is a retired Dentist and has been a member of the Sylva Rotary Club since 1980 where he served as the president from 2004-2005. He is a Jackson County chapter of North Carolina Community Foundation Board Member as well as a Volunteer for Meals on Wheels. He is a former member of the American Dental Association, North Carolina Dental Society, American College of Dentists, and the American Academy of Dental Practice where he served as the President from 2005- 2006. He is a lifelong member of the Sylva First United Methodist Church. He joined the board in 2020 and is on the Audit Committee.

**Mr. Rob M. McKown** – 40 Hallett Ct., Asheville, NC, 28803

Mr. McKown is a Commercial Realtor and MAI Appraiser. Previously, he was President/CEO of Pedro Bay Corporation (real estate investment and development), and Sr. VP of First Union National Bank in Brevard, NC. Mr. McKown is active in the community and has served on numerous non-profit boards. Rob is a long-time member of First United Methodist Church in Brevard. He joined the board in 2019 and serves on the Finance, Human Resource and Group Health Plan Committee.



**Mr. Russell Moxley** – 400 Wesley Drive, Apt. 374, Asheville, NC 28803

Mr. Moxley is a resident of Givens Estates and is President of the Givens Estates Resident Council. He is a retired leadership and organization development professional. His community service includes Appalachian Voices and Kirkridge Retreat and Study Center board of directors. He is an associate member of New Hope Presbyterian Church. He joined the board in 2022 and is on the Resident and Health Services Committee.

**Dr. Judy L. Phillips** – 54 Blue Heron Drive, Fletcher, NC 28732

Dr. Phillips received her PHD at John Hopkins and is a nurse practitioner with the Messino Cancer Center in Asheville and is an Assistant Professor of Nursing at Lenoir Rhyne University. Her community service includes Oncology Nursing Society, Chair of Education for MASCC, Chair of Lymphema DNS, and Doctorate and Masters Nursing Committees. She is an international speaker and member of Biltmore Church. She joined the board in 2022 and is on the Resident and Health Services Committee.

**Mr. Charlie Pine** – 137 Spring View Drive., Black Mountain, NC, 28711

Mr. Pine is a resident of Givens Highland Farms and a retired Senior Vice President and General Manager of Belk department stores. His community service includes the WCU Board of Trustees, the Asheville Merchants Board and Foundation, the BBB, Salvation Army, the Chamber of Commerce, Care Partners, Industries for the Blind Asheville and main Board Winston Salem, Meals on Wheels, Mars Hill Foundation Board as well as various United Way Committees. He is also on the Employee Appreciation Committee at Givens Highland Farms, the Covenant Community United Methodist Church Finance Committee and the Chair of the Building and Construction Committee. He is a member of the Covenant Community United Methodist Church. He joined as an Ex-officio board member in 2019 and is on the Nominating Committee.

**The Reverend W. Mark Ralls** – 204 Sixth Ave., West, Hendersonville, NC 28739

The Reverend Ralls is the Superintendent of the Blue Ridge District of the Western North Carolina Conference of the United Methodist Church. He has been an Ex-officio board member since 2015.

**Mr. Robert E. Shepherd** – 214 Valley Ridge Lane, Black Mountain, NC 28711

Mr. Shepherd is the Executive Director Emeritus of Land of Sky Regional Council. He is a member of Acton United Methodist Church, Asheville. He has served on the General Council on the Status and Role of Women and the General Board of Global Ministries. He also served for over a decade on the WNC conference council of ministries (now connectional table) as chairman and vice-chairman. He has been a board member since 1983, is an honorary life member of the board, and is on the Audit Committee, and the Investment Committee.

**Ms. Sarah-Ann Smith** – 60 Wagon Trail, Black Mountain, NC 28711

Mrs. Smith is a resident of Givens Highland Farms and is the President of Givens Highland Farms' Residents Corporation. Mrs. Smith is a retired Foreign Service Officer, previously served on the PCUSA Commission on Ecumenical Mission and Relations, and was an adjunct professor at Johns Hopkins University, University of Baltimore, and UNC Asheville. She holds a Ph.D. in International Studies and East Asian Studies from American University,

and a Master of Arts degree from Presbyterian School of Christian Education. Her community service included World Affairs Council of WNC board member and president, community member of Asheville Citizen-Times editorial board and column contributor, board and committee chair for Ballet Spartanburg, and board member of the League of Women Voters. She joined the board in 2022 as an Ex-officio board member and serves on the Resident and Health Services Committee.

**The Reverend Doctor R. Keith Turman** – 37 Country Club Drive, Waynesville, NC 28786

Dr. Turman is the Senior Minister at First United Methodist Church in Waynesville, NC and a member of the Western North Carolina Conference. He has been a board member since 2008 and is on the Nominating Committee.

**Mr. David C. Whilden** – 1272 Hendersonville Rd., Asheville, NC 28803

Mr. Whilden serves as Senior Trust Officer for Boys, Arnold Trust Company. He has worked in the trust and wealth management fields for the past 35 years. He is actively involved in the community and serves on the boards of directors for several Asheville area civic and education organizations. He joined the board in 2016 and is on the Investment Committee.

**Mr. Alfred J. Whitesides, Jr.** – 17 West Haith Dr., Asheville, NC 28801

Mr. Whitesides is the retired Vice President of Mountain 1st Bank and Trust. He has been on the Buncombe County Board of Commissioners since 2016. He is a member of Hopkins Chapel AME Zion Church, Asheville. He joined the board in 1979 and is an honorary life member of the Board.

None of the Board of Directors, staff, or consulting professionals, has a financial interest in The Givens Estates, Inc. None of said officers, directors or management personnel (i) have been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action by final judgment, if the felony or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or (ii) are subject to a currently effective injunctive or restrictive court order, or within the past five years, had any State or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, if the order or action arose out of or related to business activity of health care, including actions affecting a license to operate a foster care facility, nursing home, retirement home, home for aged, or facility subject to Article 64, Chapter 58, of the General Statutes of North Carolina or a similar law in another state. All Board members sign a Conflict of Interest Policy and Ethical Code of Conduct annually (Attachment 2).

## RESIDENT ASSOCIATION

The Givens Estates Resident Association supports the wellbeing of all residents, fosters a sense of community, keeps residents informed, and supports and works with staff in matters related to the general good and continual improvement of retirement living at Givens Estates. Each independent living residential component is part of a "cluster" group. Representatives of the 41 cluster groups, co-chairs of Resident Association committees and boards, and the Executive Committee constitute the Resident Association. The Association organizes activities, promotes outreach beyond the Givens Estates community, acts as a liaison to departments of Givens Estates, and provides assistance to Life Enrichment. The Executive Committee oversees the operation of approximately 12 volunteer committees or boards which residents serve on for one-year terms. These groups collectively advise staff and Administration. The Resident Association meets on the second Wednesday of each month.

## GIVENS ESTATES DEVELOPMENT/STRATEGIC PLAN

Givens Estates prepares for the future through a long-range strategic planning process, which is conducted every 7 to 8 years. The strategic plan is integrated into the annual plan for implementation. The organization believes the best way to remain relevant and financially strong for the future is to constantly evolve and improve. In October 2017, the Board of Directors approved a new campus master plan for Givens Estates. This plan is currently under review and will be refined to reflect current resident expectations and industry trends.

Improvements to Oxford Commons Dining, Wellness Center and commons areas were completed in April 2021. Givens Estates recently completed Friendship Park in March 2022, which consists of Phase I with 35 apartments in one building and Phase II with 45 apartments in a second building. Friendship Park apartments range in size from 900 - 1,300 square feet.

## III. POLICIES

A copy of the Givens Estates Resident Handbook is provided to all residents and is available upon request. The Handbook is updated from time to time. Other policies beyond the Handbook exist and are updated from time to time. The following information summarizes certain important aspects of current policies in the Residence and Services Agreement (Attachment 3)

### ADMISSIONS

**Age:** Prospective residents shall be fifty-five (55) years of age or older to be eligible for admission. If the prospective residents are a couple, at least one member of the couple must be fifty-five (55) years of age or older at the time of occupancy.

**Application Form:** Applicants will provide an Application for Admission, a Personal Health History and a Confidential Financial Statement, all on forms furnished by Givens Estates. Applicants may be requested to update such forms at the time of admission.

**Personal Interview:** Applicants must have an interview with a Givens Estates Marketing representative prior to occupancy. Upon review of all information, additional interviews may be requested by the applicant or Givens Estates.

**Health Requirements:** Applicants must be able to live independently in the living option for which they/he/she is applying. The applicant's physician must complete a form which states that the applicant(s) is able to live independently and undertake ongoing activities of daily living.

**Financial Requirements:** Applicants must have assets and income sufficient to pay their financial obligations under the Agreement and to meet their ordinary living expenses.

**Marketing and Admission:** Givens Estates determines the admission criteria for the Marketing Department to implement. The Marketing Director reviews all applications. If the Marketing Director is satisfied the applicant meets the criteria for admission, then the health and financial information is reviewed and approved by the Executive Director to ensure the applicant meets the health and financial criteria.

## TERMINATION AND REFUND PROVISIONS

### **Termination by Resident Prior to Occupancy**

**Termination During the 30 Day Rescission Period and Before Occupancy:** The Residence and Services Agreement may be terminated by the resident by a Written Termination Notice for any reason within thirty (30) days following the later of the execution of the Agreement or the receipt of a disclosure statement (the "Rescission Period") and the resident is not required to move into the Residence during this Rescission Period. The Agreement is automatically cancelled if the resident dies before occupying the Residence, or if, on account of illness, injury, or incapacity, the resident would be precluded from occupying the Residence under the terms of this Agreement. If the Agreement is terminated within such Rescission Period, any monies paid by the resident shall be refunded in full less any non-standard costs incurred at the resident's request described in the Agreement or in amendment to this Agreement signed by the resident. Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of the resident's Written Termination Notice.

**Termination After the 30 Day Rescission Period and Before Occupancy:** The Residence and Services Agreement may be terminated by the resident by a Written Termination Notice for any reason after the Rescission Period and prior to Occupancy. The Agreement is automatically cancelled if the resident dies before occupying the Residence, or if, on account of illness, injury, or incapacity, the resident would be precluded from occupying the Residence under the terms of the Agreement. In the event of such termination, the resident will receive a refund of the 10% Deposit, less (i) a nonrefundable fee equal to the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee for the Residence, and (ii) any non-standard costs incurred at the resident's request described in the Agreement or in amendment to the Agreement signed by the resident. The nonrefundable fee will not be charged to the resident if such termination is due to the resident's death, death of the resident's spouse, or because the resident's physical, mental or financial condition makes the resident ineligible for admission to

Givens Estates.

**Termination by Resident After Occupancy**

**Termination During the 30 Day Rescission Period and After Occupancy:** The Residence and Services Agreement may be terminated by the resident by a Written Termination Notice for any reason within the Rescission Period and the resident is not required to move into the Residence during this Rescission Period. If the resident does occupy the Residence within the Rescission Period and then terminate the Agreement before the end of the Rescission Period, any monies paid by the Resident shall be refunded in full less (i) periodic charges specified in the Agreement and applicable only to the period the resident actually occupied the Residence; (ii) nonstandard costs incurred at the resident's request and described in the Agreement or in amendment to the Agreement signed by the resident; and (iii) a service charge equal to the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee for the Residence. Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of the resident's Written Termination Notice.

**Termination After the 30 Day Rescission Period and After Occupancy:** At any time after occupancy and after the Rescission Period ends, the resident may terminate the Residence and Services Agreement by a Written Termination Notice. In the event of such termination, the resident will receive a refund, less (i) periodic charges specified in the Agreement and applicable only to the period the resident actually occupied the Residence; (ii) nonstandard costs incurred at the resident's request described in the Agreement or in amendment to the Agreement signed by the resident; and (iii) nonrefundable entrance fees as set out in paragraph VII. B. 5. (Amortization of the Entrance Fee) of the Agreement.

**Termination Upon Death After Occupancy:** In the event of death of a single Resident, or of the survivor of two Residents, at any time after Occupancy, the Residence and Services Agreement shall terminate and the refund of the Entrance Fee shall be determined according to Paragraph VII. B. 5. of the Agreement.

**Termination by Givens Estates After Occupancy:** Givens Estates may terminate the Residence and Services Agreement at any time if there has been a material misrepresentation or omission made by the resident in their Application for Admission, Personal Health History, Confidential Financial Statement, or Physician's Examination Report; if the resident fails to make payment to Givens Estates of any fees or charges due within sixty (60) days of the date when due; or if the resident does not abide by the rules and regulations adopted by Givens Estates, or breach any of the terms and conditions of the Agreement. In the event of termination due to any of such causes, the refund of the Entrance Fee paid to the resident shall be determined according to Paragraph VII. B. 5. of the Agreement.

**Amortization of the Entrance Fee:** The Entrance Fee may be partially refundable. The portion of the Entrance Fee that is refundable to the resident will decline over time, at a rate of six percent (6%) upon the date of Occupancy of the Residence and two percent

(2%) on the first (1st) day of each calendar month thereafter until the selected refund percentage remains at zero percent (0%), fifty percent (50%), or ninety percent (90%). Regardless of the reason for termination, the resident is entitled to their Entrance Fee refund, less (1) any non-standard costs requested by the resident and (2) any per diem Health Care Residence fees for Givens Estates Health Center incurred by the resident during any period of Occupancy of a Health Care Residence in Givens Estates Health Center, except as otherwise provided by the Agreement.

**Payment of Refunds:** Unless otherwise provided in the Agreement, Entrance Fee refunds will be paid upon the resident vacating the then current Residence covered by the Agreement or in case of dual occupancy upon both residents vacating the then current Residence, the removal of all personal property, and upon the receipt by Givens Estates of a replacement Entrance Fee for the Residence, or the expiration of twenty-four (24) months after Termination of the Agreement by the Resident (whichever occurs first).

Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of the resident's Written Termination Notice to:

**Director of Marketing  
Givens Estates  
2360 Sweeten Creek Road  
Asheville, NC 28803**

**Condition of Residence:** Upon vacating the Residence, the resident shall leave it in good condition except for normal wear and tear. The resident or their estate shall be liable to Givens Estates for costs required to restore the Residence to good condition or standard condition, except for normal wear and tear, and for the removal and disposition of abandoned personal belongings. Such costs will be deducted from the refundable portion of the Entrance Fee due to the resident.

**Changes to Residence:** After the Date of Occupancy, any structural or physical changes to the Residence directed by the resident (including alterations such as construction of bookshelves or redecoration such as painting or wallpapering) will require the prior approval of Givens Estates and will be made only under Givens Estates supervision and direction. The resident shall make no structural or physical changes to any Wood Assisted Living Residence; Givens Estates shall maintain and decorate any Wood Assisted Living Residence in accordance with Givens Estates then-current literature. The cost of any change requested by the resident shall be at the resident's expense. Givens Estates may require, as a condition of approval of a requested change, that the resident either (i) agree to bear the cost of restoring the Residence to its original condition upon termination of occupancy of the Residence or (ii) prepay the estimated cost of restoring the Residence to its original condition. All structural improvements shall belong to Givens Estates.

## TRANSFERS OR CHANGES IN LEVELS OF CARE

**Transfer to a Health Care Residence:** Givens Estates recognizes the right of self-determination of the Resident and will attempt to involve the resident or the resident's representative in all decisions related to transfers and changes in level of care. Givens Estates shall have authority to determine whether the resident should be transferred from their residence to a Health Care Residence, or from one level of care to another within Givens Estates, in cases of potential harm to the resident or others, to assure the health and wellbeing of the resident and others, or to provide for the highest quality of life possible. Such determination shall be based on the opinion of the Givens Estates administration and/or the Givens Estates Medical Director and shall be made after consultation with the resident and/or their representative and their attending physician. Such decisions shall be made only in the resident's best interest and in the best interest of the larger community as determined by Givens Estates.

**Transfer to Other Facility:** If it is determined by Givens Estates that the resident needs care beyond that which can be provided by Givens Estates, the resident may be transferred to a hospital or institution equipped to give such care at the resident's expense. Such transfer will be made only after consultation with the resident and/or their representative and attending physician.

**Surrender of Residence:** If a reasonable determination is made by Givens Estates that any transfer for a change in level of care is or is highly likely to be permanent; the resident agrees to surrender the residence.

## TERMS OF RESIDENCY

**Policies and Procedures:** All residents shall abide by Givens Estates policies and procedures, including such amendments, modifications and changes to the Resident Handbook as may be adopted by Givens Estates. Such Handbook shall be made readily available to all residents.

**Changes in the Residence and the Agreement:** Givens Estates has the right to change the residence and/or the Agreement when and to the limited extent required to comply with the requirements of any applicable statutes, laws or regulations. The residence may not be used in any manner in violation of any zoning ordinances or other governmental law or regulation.

**Visitors:** Short-term visitors and guests may stay in a residence for limited stays. No person other than the resident may reside in the residence without the approval of Givens Estates.

**Occupancy by Two Residents:** When two (2) residents occupy a residence and one of them is no longer domiciled in the residence, whether as a result of death or otherwise, or in the event of the termination of the Agreement with respect to one of the residents, the Agreement shall continue in effect for the remaining resident. The remaining resident will thereafter pay the single person monthly fee associated with the residence. No Entrance Fee refunds shall be paid to the remaining resident until the residence is vacated as described in the Residence and Service Agreement.

**Request by a Resident for Change in Residence:** A resident may request a change in residence at any time. Givens Estates carefully considers such requests, including but not limited to such factors as resident's health and finances, availability of requested type of residence, and waiting lists. The resident must agree to pay the difference in the Entrance Fee and Monthly Fee between the requested residence and the current residence. Givens Estates may require the resident to enter into a new or amended Residence and Services Agreement for the new residence. The Entrance Fee refund percentage selected at initial occupancy remains in effect during a change in residence and is applicable to any additional amounts paid as a result of the change.

**Move to Another Residence:** Should a move to a subsequent residence be approved by Givens Estates, the resident will pay the Monthly Fee associated with the subsequent residence. The Entrance Fee paid for the original residence will be retained by Givens Estates and held as part of the Entrance Fee for the subsequent residence. Even if the Entrance Fee for the original residence, at initial occupancy, was greater than the current Entrance Fee for the subsequent residence, the resident will not be entitled to a refund as a result of the difference between such Entrance Fees. If, however, the Entrance Fee for the original residence, at initial occupancy, was less than the current Entrance Fee for the subsequent residence, the resident will pay an amount equal to the difference between the Entrance Fee of the original residence that they paid and the current Entrance Fee of the subsequent residence.

**Change in Residence at Option of Givens Estates:** If Givens Estates reasonably determines that a residence needs to be vacated to permit repairs or renovations thereto, or needs to be modified or reconfigured to accommodate a new or different use of the residence, or as a result of any other circumstances reasonably determined by Givens Estates to justify such transfer, Givens Estates may move the resident to a new residence of a similar size provided that Givens Estates (i) advises the resident prior to undertaking any such move, (ii) gives the resident reasonable notice of and time to prepare for such move, (iii) incurs all the costs of such move, (iv) arranges for the prompt and convenient moving of the resident's personal furnishings, and (v) either provides in such new residence optional custom improvements comparable to those provided in the original residence or, at the resident's option, reimburses the resident for the value of such improvements.

**Loss of Property:** Givens Estates shall not be responsible for the loss of any property belonging to residents due to theft, mysterious disappearance, fire or any other cause. All residents are responsible for securing personal property insurance.



**Medical Insurance:** Residents shall maintain Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to Givens Estates (e.g. Federal Government employees who subscribe to Federal Blue Cross Blue Shield) and shall furnish Givens Estates with evidence of such coverage and notify Givens Estates of changes in medical insurance.

**Right of Entry:** The Residence and Services Agreement authorizes employees or agents of Givens Estates to enter the residence for the purposes of housekeeping, repairs, maintenance, inspection, and in the event of an emergency. Givens Estates will always endeavor to maintain the privacy of the residence. Residents are not allowed to replace or add any locks to the residence.

**Residents' Organizations:** Residents of Givens Estates are members of a Residents' Association that is open to all residents. Such organization elects representatives, officers, and other positions to engage in activities of interest to all residents.

**Prohibition of Certain Activities:** The Givens Estates campus and residences, including but not limited to Wood Assisted Living and Givens Estates Health Center, are smoke free. Residents shall not engage or permit any guest or licensee of the resident to engage in any obnoxious or offensive activity in their Residence or on the Givens Estates campus. No family member or other guest or invitee of the resident shall be permitted to occupy their Residence on a regular basis, provided that such restriction shall not apply to another Resident in a semi-private WAL Residence.

## ADDITION OF NEW OCCUPANT

**Addition of Resident Occupant:** Should the resident choose to share occupancy of their Residence with a person who is also a resident of Givens Estates, the two may occupy either Residence and shall surrender the unoccupied Residence. They will pay the Double Person Monthly Fee upon Occupancy by both residents in the chosen Residence. No Entrance Fee refund for the unoccupied Residence shall be paid until Givens Estates receives a replacement Entrance Fee for the vacated Residence or twenty-four (24) months after Termination by Resident (whichever occurs first), and removal of all personal belongings from such vacated Residence. However, if neither resident was an original occupant of the selected Residence when the original Residence and Services contract was signed, an additional Entrance Fee will be required equal to the difference between the then current Entrance Fee and the original Entrance Fee paid at the same refund percentage originally selected.

**Addition of Non-Resident Occupant:** If a resident should choose to share occupancy of their Residence with a person who is not already a resident of Givens Estates, the Non-Resident Occupant may become a resident if they meet all the requirements for admission, enter into a Residence and Services Agreement with Givens Estates, and pay an Entrance Fee equal to the then-current Double Person Entrance Fee. The Resident and the Non-Resident occupant shall pay the Double Person Monthly Fee. If the Non-Resident Occupant does not meet the requirements of Givens Estates for admission as a resident,

the resident may terminate the Agreement in the same manner as provided in Paragraph VII. B. with respect to a voluntary termination, or the Non-Resident Occupant may be approved for admission under special circumstances as agreed to in writing by Givens Estates and the resident. However, if neither the current resident nor the Non-Resident Occupant were the original occupants of the residence when the original Residence and Services contract was signed, an additional entrance fee will be required equal to the difference between the then current Entrance Fee and the original Entrance Fee paid at the same refund percentage originally selected.

#### **IV. SERVICES**

##### **FURNISHINGS IN RESIDENCES**

Givens Estates will provide in all Residences appropriate flooring, refrigerator with ice maker, stove, range, microwave, hood vent, washer and dryer, garbage disposal, rewiring for telephone and cable services, and other features and fixtures as described in Givens Estates' current literature. All other furniture, furnishings, decorations, bed and bath linens, and other personal property will be provided by the resident. Asbury Commons Apartments and Wood Assisted Living residences may not include refrigerator, stove, oven, hood vent, garbage disposal, microwave, or washer and dryer.

##### **OPTIONS AND CUSTOM FEATURES IN RESIDENCE**

Residents may select certain options and custom features in their Residence for an additional charge. Givens Estates will present the resident with a written quote specific to the options and custom feature request detailing the prices. The cost of options and custom features selected will be paid by the resident at the time of selection and will become part of the residence and the property of Givens Estates. The value of such improvements will not be considered in computing Entrance Fee refunds, unless specifically agreed to in an Addendum to the Residence and Services Agreement. All options and custom features must be approved by Givens Estates administration in advance of the changes made.

##### **COMMON AREAS AND AMENITIES**

Givens Estates common areas and amenities are for the use and benefit of all residents and include the dining rooms, private dining rooms, performing arts center, library, mail boxes, chapel, wellness center, indoor swimming pool, meeting rooms, activity areas, arts and crafts room, woodworking shop, beauty/barber shop, walking areas, exercise areas, on-site assisted living center, and health center for nursing care.

##### **PARKING**

Givens Estates will provide lighted parking areas for resident vehicles (a minimum of one space for each residence). Residents of Oxford Commons desiring parking in an under-building, covered parking space may reserve such (if available) for an extra fee as described in Givens Estates current literature and documented in an Addendum to the Residence and Services Agreement.

## SERVICES AND PROGRAMS

**Utilities:** The monthly fee includes the cost of heating, air conditioning, electricity, water, sewer, trash removal, and standard municipal services. Residents are responsible for any costs related to telephone, cable television and internet service.

**Meals:** Givens Estates will make available to each resident a declining "dining dollars" amount equal to \$293.00 per month. A maximum carryover of \$586.00 dining dollars per person is allowed from month to month; any dining dollars in excess of such maximum carryover will expire at the month's end. Any dining cost the resident incurs in excess of their-remaining dining dollars will be added to the Monthly Fee. Givens Estates may change the monthly dining dollars amount from time to time during the term of this Agreement. The resident will receive a thirty (30) day advance notice before such change is effective.

*The Social Brew* is a gathering place designed to be a social hub for the community offering smoothies, coffees, bakery items, and quick-order breakfast fare in the mornings and small plates, petite desserts, craft beer, and wine available in the evenings.

*Market + Craft* is a handcrafted eatery with multiple stations that provides made-to-order stations for pizzas, grilled items, soups, salads sandwiches and daily chef's creations.

*Terrene* is a full service, waited restaurant featuring an open kitchen where selections are prepared as ordered by guests.

Each venue offers a variety of price points. Menus with pricing are advertised via the Gazette, Resident App, and GTV. Paper copies of menus are found in each venue. Residents are notified via the Gazette, Resident App, and GTV of any menu/pricing updates.

- Meal Delivery Charge: \$3.50
- Holiday/Theme Meals: Prices will vary by venue and be posted via the Gazette, Resident App, and GTV

In Wood Assisted Living, Givens Estates will make available three meals each day. In between meals, snacks are provided and available in the kitchenettes located on each floor. Physician ordered nutritional supplements are not included in the monthly fee but can be provided at an additional cost to the resident.

**Housekeeping Services:** The Monthly Fee includes weekly housekeeping services. Services include vacuuming, light dusting, dusting and damp mopping hard surface flooring, wipe-down of kitchen countertops, cleaning of bathrooms, changing of bed linens provided by you. Additional housekeeping may be available for an extra fee.

**Groundskeeping:** Givens Estates will furnish basic groundskeeping service, including lawn, tree and shrubbery care. Subject to prior approval by Givens Estates, residents may plant and maintain certain garden areas adjacent to their residence (for cottages, houses or duplexes) and elsewhere as designated by Givens Estates.

**Maintenance and Repairs:** Givens Estates will maintain and repair improvements, furnishings, appliances, and equipment owned by Givens Estates. Residents will be responsible for the cost of repairing damage to property of Givens Estates caused by the resident or their guests, ordinary wear and tear excepted.

**Transportation:** The monthly fee will include local group transportation for residents on a regular, scheduled basis for shopping and activities. Transportation for personal or special group trips may be available for an extra fee.

**Security:** Givens Estates provides security, an emergency call system with emergency response and smoke detectors in each Residence.

**Activities:** Givens Estates provides scheduled social, recreational, spiritual, educational and cultural activities; arts and crafts; exercise and health programs; and other activities designed to meet residents' interests. Some activities may require an extra fee.

**Other Services and Programs at Additional Charge:** Other services and programs are available to residents at their own expense, including, but not limited to: guest rooms, beauty and barber services, home care services, personal laundry or dry cleaning, special transportation, catering, guest meals, repairs of personal property, and other special services performed for the resident beyond the normal scope of services offered by Givens Estates. The charges for additional services are listed in this Disclosure Statement as Attachment 5.

## NOTICE OF CHANGE IN SCOPE OF SERVICES

Except for changes required by law, Givens Estates will notify residents of any proposed change in the scope of services provided in the Residence and Services Agreement at least thirty (30) days before such change is effective. No change relating to a service included in the monthly fee under the terms of this Agreement shall be effective unless (a) consented to by Resident or (b) a reasonable adjustment is made in the monthly fee.

## HEALTH CARE ACCOMMODATIONS AND SERVICES

Givens Estates will make available health care accommodations and services as follows:

**Care in Health Care Residences:** Givens Estates will have accommodations, equipment, staffing, programs, services and supervision necessary for licensed assisted living, and licensed skilled nursing care (the "Health Care Residences"). The Health Care Residences and services are available to residents either temporarily or permanently on a space available basis, if needed, as determined by Givens Estates. Residents of Givens Estates have priority access to all Health Care Residences and services before non-residents. Fees and charges for Health Care Residences are listed on pages 36-37 of this Disclosure

Statement.

**Wellness Clinic:** A wellness clinic for certain consultations, screenings, and appointments is available to residents as scheduled and provided by Givens Estates.

**Staffing:** Nursing care appropriate to the resident's needs will be provided by Givens Estates.

**Medical Director:** The overall coordination and supervision of health care services within Givens Estates will be provided by a Medical Director, who will be a licensed physician selected by Givens Estates.

**Fees and Charges:** Fees and charges for Health Care Residences are listed on pages 36-37 of this Disclosure Statement and are set forth in Paragraph III. G. of the Residence and Services Agreement (Attachment 3).

**Additional Charges for Ancillary Health Care Services:** Residents are responsible for prompt payment of all additional charges for ancillary health care services provided at Givens Estates. Ancillary services will include all services not provided by the staff of Givens Estates and not included in the per diem fee. Examples of additional charges include, but are not limited to, the cost of prescription and non-prescription medications, physical examinations, laboratory tests, physical therapy, home health care, occupational therapy, rehabilitative treatments, wheelchairs and other medical equipment and supplies.

**Personal Physician:** Residents choose a personal physician who has admission privileges at a local hospital, in the event that they need to be hospitalized. Residents are responsible for the cost of physician services and all related medical and non-Medical expenses.

**V. FEES – All Fees shown are effective as of January 1, 2024**

The Residence and Services Agreement (Attachment 3) of this Disclosure Statement makes the following provisions:

**ENTRANCE FEE**

Residents agree to pay to Givens Estates an Entrance Fee as set forth in Schedule I of the Residence and Services Agreement. The Entrance Fee assures the resident a place at Givens Estates for a term of years or for life. The initial Entrance Fee that the resident pays for the original Residence shall continue to be held as and applied against the Entrance Fee required for any subsequent Residence the resident may transfer to on the Givens Estates campus

**Terms of Payment of the Entrance Fee**

- a. **10 Percent Deposit:** Upon entering this Agreement, the resident will pay ten percent (10%) of the total Entrance Fee for their Residence (the "10% Deposit"), less any Wait List Deposit previously paid pursuant to a Future Residency Wait List Agreement between the resident and Givens Estates.

- b. **Balance of the Entrance Fee:** The Balance of the total Entrance Fee for the Residence (being ninety percent (90%) of the total Entrance Fee) will be due and payable on or prior to the Date of Occupancy, unless otherwise agreed to in writing by Givens Estates.

The following tables show Independent Living Entrance Fees by Residence Type.

**Asbury Commons**

**2024 Entrance Fee - Ranges**

**Apartments**

	0% Refund	50% Refund	90% Refund**
Studio w/Kitchen*	\$56,800	\$83,900	\$135,500
One Bedroom	\$118,800	\$175,400	\$283,300
Two Bedroom*	\$169,500	\$250,200	\$404,300

**Oxford Commons**

**2024 Entrance Fee - Ranges**

**Apartments**

	0% Refund	50% Refund	90% Refund**
Aster	\$218,900	\$323,100	\$522,100
Buttercup	\$223,100	\$329,300	\$532,100
Aster Deluxe*	\$268,600	\$396,500	\$640,600
Azalea*	\$291,500	\$430,300	\$695,200
Camellia*	\$304,000	\$448,800	\$725,000
Daisy*	\$313,300	\$462,500	\$747,200
Iris*	\$324,500	\$479,000	\$773,900
Laurel*	\$372,900	\$550,500	\$889,400
Orchid*	\$422,000	\$622,900	\$1,006,500
Primrose*	\$423,600	\$625,300	\$1,010,300
Tulip*	\$424,100	\$626,000	\$1,011,500
Violet*	\$453,100	\$668,800	\$1,080,600

**Creekside**

**2024 Entrance Fee - Ranges**

**Apartment Homes**

	0% Refund	50% Refund	90% Refund**
Wisteria	\$396,200	\$584,800	\$944,900
Willow	\$455,900	\$673,000	\$1,087,300
Magnolia	\$501,500	\$740,300	\$1,196,100

**Duplexes**

**2024 Entrance Fee - Ranges**

	0% Refund	50% Refund	90% Refund**
Lady Huntingdon Lane*	\$269,900	\$398,400	\$643,700
Cokesbury Lane*	\$475,300	\$701,600	\$1,133,600

**Houses****2024 Entrance Fee - Ranges**

	0% Refund	50% Refund	90% Refund**
Houses*	\$257,800	\$380,600	\$614,900

**Cottage Homes****2024 Entrance Fee - Ranges**

	0% Refund	50% Refund	90% Refund**
Dogwood*	\$470,800	\$695,000	\$1,122,900
Redbud*	\$463,000	\$683,400	\$1,104,300
Silverbell*	\$487,300	\$719,300	\$1,162,200

**Friendship Park****2024 Entrance Fee - Ranges****Apartment Homes**

	0% Refund	50% Refund	90% Refund**
Aspen	\$274,800	\$405,700	\$655,400
Aspen Deluxe	\$289,800	\$427,800	\$691,200
Birch	\$273,800	\$404,200	\$653,000
Birch Deluxe	\$289,800	\$427,800	\$691,200
Buckeye	\$289,800	\$427,800	\$691,200
Cedar	\$339,000	\$500,400	\$808,500
Chestnut	\$339,000	\$500,400	\$808,500
Elm	\$339,000	\$500,400	\$808,500
Hickory	\$390,500	\$576,400	\$931,300
Maple	\$392,800	\$579,800	\$936,800
Walnut	\$406,500	\$600,000	\$969,500
Whistlewood	\$404,300	\$596,800	\$964,300
Winterberry	\$418,000	\$617,000	\$996,900

\* Prices increase according to finishes, square footage, design, and location.

\*\* For a 90% refund only, a premium fee of \$5,000 for every year over 85 is applied if over 85 years of age.

- Second person Entrance Fee is an additional \$15,000
- Entrance Fee is zero, fifty or ninety percent refundable
- Independent living residents receive priority access to the continuance of care (in Home Care, Wood Assisted Living and Givens Estates Health Center).

**MONTHLY FEE**

In addition to the Entrance Fee, the resident agrees to pay a Monthly Fee upon Occupancy for the term of the Agreement, except as provided in Paragraph III.G.1. The Monthly Fee shall be payable in advance by the fifth (5th) business day of each month. Payment of the first month’s Monthly Fee is due prior to the Date of Occupancy. The resident’s Monthly Fee will be as set forth in Schedule I of the Residence and Services Agreement, subject to adjustments and additional costs described in the Agreement.

The Monthly Fee covers:

- Monthly meal allowance \$293.00 per person per month (as of January 1, 2024)
- Weekly housekeeping
- All utilities including telephone, cable TV and internet for Cottages, Creekside, Oxford Commons, and Asbury Commons. Telephone is not included for duplexes, and houses.
- Maintenance
- Wellness Center (programs, assessment and instruction)
- 24 hour campus security and urgent call response by trained personnel
- Scheduled group transportation
- Use of all common areas and amenities
- Social, recreational, spiritual, educational and cultural activities

The following table presents the 2024 Independent Living Monthly Service Fees by unit type.

<b>Asbury Commons Apartments</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Studio w/Kitchen	\$1,994	N/A
One Bedroom	\$2,462	\$3,350
Two Bedroom	\$2,999	\$3,886

<b>Oxford Commons Apartments</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Aster	\$3,603	\$5,076
Buttercup	\$3,651	\$5,124
Aster Deluxe	\$4,023	\$5,497
Azalea	\$4,340	\$5,813
Camellia	\$4,340	\$5,813
Daisy	\$4,503	\$5,977
Iris	\$4,518	\$5,991
Laurel	\$4,780	\$6,253
Orchid	\$4,972	\$6,446
Primrose	\$5,012	\$6,485
Tulip	\$5,030	\$6,503
Violet	\$5,165	\$6,639



<b>Creekside Apartment Homes</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Wisteria	\$4,491	\$5,964
Willow	\$4,883	\$6,357
Magnolia	\$4,988	\$6,461

<b>Duplexes</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Lady Huntingdon Lane	\$3,700	\$4,931
Cokesbury Lane	\$4,767	\$6,228

<b>Houses</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Houses***	\$3,328 - \$3,922	\$4,493 - \$5,087

<b>Cottage Homes</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Dogwood***	\$5,080 - \$5,529	\$6,553 - \$7,002
Redbud***	\$5,117 - \$5,602	\$6,590 - \$7,075
Silverbell***	\$5,199 - \$5,702	\$6,673 - \$7,175

<b>Friendship Park Apartment Homes</b>	<b>Fee for Single</b>	<b>Fee for Double</b>
Aspen	\$3,078	\$4,496
Aspen Deluxe	\$3,078	\$4,496
Birch	\$3,078	\$4,496
Birch Deluxe	\$3,078	\$4,496
Buckeye	\$3,078	\$4,496
Cedar	\$3,306	\$4,724
Chestnut	\$3,306	\$4,724
Elm	\$3,306	\$4,724
Hickory	\$3,647	\$5,066
Maple	\$3,647	\$5,066
Walnut	\$3,647	\$5,066
Whistlewood	\$3,647	\$5,066
Winterberry	\$3,647	\$5,066

\*\*\* Monthly Fee increase according to square footage.

#### **ADJUSTMENTS IN THE MONTHLY FEE**

The Monthly Fee is paid to provide the facilities, programs, and services described in the Residence and Services Agreement, and are intended to cover costs of the expenses associated with the operation and management of Givens Estates. With the approval of its Board of Directors, Givens Estates may increase the Monthly Fee from time to time during the term of this Agreement. The Monthly Fee will be adjusted as required, consistent with operating on a sound financial basis and maintaining quality service. Residents will receive a thirty (30) day advance notice of increases in the Monthly Fee or other charges.

The following table shows average changes in the monthly service fees and health center daily charges over time. Note that it is the average dollar amount of the CHANGE in fees from year to year that is shown - NOT the fees themselves. All changes during this period occurred once per year on January 1. This data demonstrates Givens Estates' commitment to responsible changes in fees over time.

Average Monthly Service Fees	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
One Occupant (\$'s per month)	95	77	68	286	202
Two Occupants (\$'s per month)	30	25	142	381	\$381
Approximate Percentage Increase	2.8%	2.2%	4.8%	7.9%	5.6%

Health Care Room Charges	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Givens Health Center - skilled care (\$'s per day 7 approx. % increase)	21 6.74%	15 4.54%	18 5.06%	30 7.9%	29 7.1%
Wood Assisted Living (\$'s per month & approx. % increase)	262 3.5%	215 3.5%	382 6%	550 7.9%	464 4.6%

### AWAY ALLOWANCE

If a resident is away from Givens Estates for at least thirty (30) consecutive days and they complete an "Away Form" in advance, they are eligible for an Away Allowance, which will be credited to their monthly service fee. The Away Allowance is in accordance with the prevailing Away from Givens Estates Policy, which is subject to change. The amount of the credit is included in Givens Estates' current literature.

### MONTHLY STATEMENTS

Givens Estates will furnish residents a monthly statement showing the monthly fee payable for the month in advance, and any additional charges from the previous month, payable by the fifth (5<sup>th</sup>) business day of the current month. Givens Estates may charge, and residents must pay promptly, interest at a rate of one and one-half percent per month on any unpaid balance owed thirty 30 days after the monthly statement is dated.

### HEALTH CARE CHARGES

- a. **Fee for Services:** Upon permanently occupying a Health Care Residence, the resident will surrender their prior Residence and will no longer pay the Monthly Fee for the Residence; instead, the resident will pay the per diem fee for such Health Care Residence, as established by Givens Estates then-current literature. Upon temporarily occupying a Health Care Residence, the resident will continue to pay the Monthly Fee for the Residence (less any credit

that may be given by Givens Estates) and the resident will pay the per diem fee for such Health Care Residence, as established by Givens Estates then-current literature, for the period of time that they occupy same. Such per diem fee shall cover the cost of services described in Paragraph I. F.11.a-d. the resident may pay additional charges for ancillary services as described in Paragraph III. G. 4.

- b. **Level of Care Fee:** If pursuant to Paragraph VI.A Givens Estates determines that the resident requires additional care and services beyond the basic level of care provided at the Health Care Residence the resident shall pay to Givens Estates a daily Level of Care Fee, as established by Givens Estates then-current literature for such level of care, in addition to the per diem fee described in Paragraph III.G.1.
- c. **Use of Refundable Portion of the Entrance Fee:** Should the resident move to Givens Estates Health Center, the remaining refundable portion of the Entrance Fee can be applied to the cost of care upon the receipt of a replacement Entrance Fee for the Residence by a new resident. If the resident moves from another Residence to Wood Assisted Living, no Entrance Fee refund shall be paid to the resident at that time and no part of the remaining refundable portion of the Entrance Fee will be applied to the cost of care in Wood Assisted Living. Entrance Fee refunds will not be paid directly to any other health care facility besides Givens Estates
- d. **Additional Charges for Ancillary Health Care Services:** The resident is responsible for prompt payment of all additional charges for ancillary health care services provided at Givens Estates. Ancillary services will include all services not provided by the staff of Givens Estates and not included in the per diem fee. Examples of additional charges include, but are not limited to, the cost of prescription and non-prescription medications, physician services, laboratory tests, home health care, physical therapy, occupational therapy, speech therapy, rehabilitative treatments, wheelchairs and other medical equipment and supplies.
- e. **Care in Another Facility:** Should a resident need a level of care or health services beyond that provided at Givens Estates, as determined by Givens Estates, and require transfer to another facility, the resident will be responsible for all expenses of such transfer and services.

## WOOD ASSISTED LIVING

Wood Assisted Living at Givens Estates provides assisted living in a residential setting. The center is part of a complete continuum of care provided by Givens Estates. Residents can actively pursue their interests and enjoy friendships within the community while staff tends to the details of daily living. The facility includes several bright and attractively decorated common areas, including living and activity rooms. Spacious carpeted hall ways provide an ideal indoor walking area. Residents can take walks in the beautiful gardens and relax in covered outdoor terraces. Each residence has a keyed entry and residential decor, including crown moldings, recessed lighting, window treatments, an emergency call system, phone jacks, and cable TV outlets. Residents provide their own furnishings.

2024 Assisted Living Monthly Rates	
<b>BASIC LEVEL OF CARE</b>	
Studio Apartment	\$6,722
Deluxe Studio Apartment	\$7,365
One Bedroom Apartment - Single Occupancy	\$11,052
One Bedroom Apartment - Double Occupancy	\$13,498
<b>Additional Daily Charges for Services at Other Levels of Care</b>	
Level 2	\$57/Day
Level 3	\$102/Day

### GIVENS ESTATES HEALTH CENTER

Givens Estates Health Center provides continuous and professional long term, skilled nursing care by Registered Nurses, Licensed Practical Nurses, Medication Aides, and Certified Nursing Assistants in a comfortable, residential and choice driven environment. The unique and residential design of Givens Estates Health Center provides residents with privacy and residential comforts along with the choice of long-term care services and short-term rehabilitation services.

- a. **Starnes Wing** provides an environment designed specifically for skilled and short term rehabilitation residents. Amenities include 16 private rooms and 5 semi-private rooms with private full baths, residential furniture, flat panel televisions with cable, telephones, and wireless internet.
- b. **Sales Wing** provides an environment for ongoing skilled care and daily supervision with a focus on assisting each resident to maintain the highest level of independence and individual well-being and comfort. Amenities include 8 private rooms, and 25 semi private rooms with private half baths, residential furniture, cable television, and spa tubs for bathing.

Health Center Daily Room Rates	2024 Private Room	2024 Semi-Private Room	2024 Suite
Sales Wing	\$426	\$390	\$438
Starnes Wing	\$461	\$408	\$489

## INDEPENDENT CARE NON-CHARGED SERVICES

- Daily Wellness Clinic 1:00 PM – 2:00 PM
- Emergency call follow-up by licensed nurse
- Post-hospitalization visit by licensed nurse
- House calls by licensed nurse as directed by the Director of Nursing or Independent Care Coordinator

## HOME CARE SERVICES

<b>Activation Fee</b>	No charge for caregiving services if the client signs up for <u>more than ten hours</u> of care per month.
	\$50 fee for caregiving services that are scheduled for <u>less than ten hours</u> of care per month.
	\$100 activation fee for Care Plans that include Licensed Nursing Visits, regardless of time scheduled.

<b>Reassessment Fee</b> (every 90-days or as needs change)	No charge for caregiving services if the client continues with <u>more than ten hours</u> of care per month.
	\$40 flat fee for caregiving services if the client is scheduled for <u>less than ten hours</u> of care per month.
	\$80 fee for Care Plans that include Licensed Nursing Visits, regardless of time scheduled.

### Caregiving Services

30 Minute Visits	1-1.5 Hour Visits	2-3.5 Hour Visits	4+ Hours Visits
\$35 per 30- minute visit	\$55 per hour visit \$82.50 per 1.5 hour visit	\$47 per hour, at \$94 per 2-hour visit \$117.50 per 2.5 hour visit \$141 per 3 hour visit \$164.50 per 3.5 hour visit	\$35 per hour, with \$140 minimum for a 4 hour visit

If an additional caregiver is needed, the rate will be charged 1.5 times. For example, if a client requires two caregivers, a 60-minute visit would be charged at \$82.50 rather than \$55.

## Nursing Services

1. **Licensed Nursing Visit:** This could include wound care, medication administration, and other nursing services within our scope of license. Services are billed in 15-minute increments at an hourly rate of \$100 (e.g., \$25 per 15-minute visit).
2. **Coordination of Care:** This type of service is reconciled at the end of the month at a rate of \$100 per hour with no minimum. Services may include:
  - Communication with family members, powers of attorney, and physicians.
  - Obtaining necessary orders, labs, and test results.
  - Coordination with the pharmacy for medication-related needs.
  - Assisting with inpatient discharge planning for smooth and safe transitions home.
  - Providing disease education to clients and their families.

Note: *Coordination with the wider Givens team, including your Social Worker / Navigator, is not billed.*

### Please Note:

- Cancellations must be reported to the office 72 hours prior to the scheduled visit to avoid being charged the full rate.
- We do not charge a premium on evenings, weekends, or holidays, even though we pay our caregivers shift differentials and holiday pay.
- We may schedule a Certified Nursing Assistant rather than an In-Home Aide or a Licensed Practical Nurse rather than a Certified Nursing Assistant to support staffing efforts but will charge the rate as agreed in the Plan of Care.
- Supplies charged separately. Clients are encouraged to provide their own supplies. We can help coordinate the ordering of supplies through our Nursing services.
- If services are paused due to client circumstances, the schedule may not be guaranteed upon return unless the client reserves their visit times. In certain circumstances (e.g., hospitalization, travel etc.), we may hold visits for up to one week at no cost, then we will offer a 50% discount for up to 4 weeks. After that, reservations return to full cost.

Learn more by contacting Givens Home First at (828)575-1132 or [info@givenshomefirst.org](mailto:info@givenshomefirst.org)

### **WAITLIST DEPOSIT**

The Waitlist Deposit of \$1,500 is submitted with a Future Residency Waitlist Agreement to establish a chronological waitlist date by which future residents are offered various types of residences at Givens Estates. In addition to the priority established for residency, all Future Residents may enjoy the following benefits of the Future Residency Wait List Program: Meals in Givens Estates' Dining Rooms or Private Dining Rooms with prior reservations at established meal rates; use of the common and recreational areas within Givens Estates; and participation in present and future planned programming and events. The Wait List Deposit is a non-interest bearing deposit associated with the Future Residency Waitlist Agreement and will be credited toward the Entrance Fee due at the time of occupancy. The Wait List Deposit does not lock-in the Entrance Fee amount for a residence.

### **FINANCIAL ASSISTANCE**

The Residence and Services Agreement makes the following provisions: Givens Estates has established a Financial Assistance Fund to allow a limited number of residents to continue to live at Givens Estates after their assets may have been depleted. The policies relating to financial assistance are determined by the Board of Directors. The amount of assistance is determined on an individual basis and there is no guarantee of assistance to any individual resident.

## VI. GIVENS CHOICE – Continuing Care at Home Program



### **BACKGROUND**

Givens Estates is a North Carolina non-profit corporation chartered in 1975. The Givens Estates, Inc. and Subsidiaries is the provider for Givens Estates, Givens Highland Farms, LLC and Gerber Park 60. Givens Estates and Givens Highland Farms are licensed in North Carolina by the Department of Insurance as continuing care retirement communities and refer to themselves as life plan communities. Givens Estates has received licensure from the North Carolina Department of Insurance to operate a continuing care services program without lodging pursuant to Chapter 64 Article 58 Paragraph 7.

This continuing care program is marketed and referred to as “Givens Choice” (or “Program”). This Program is being marketed in Buncombe, Henderson, McDowell, Polk, Haywood, and Transylvania Counties.

### **VISION STATEMENT**

Endless Possibilities, Vibrant Aging

### **MISSION STATEMENT**

Creating Community, Empowering Lives

### **CORE VALUES**

Our core values are People Passionate, Make a Difference, Power of Community, and Do What’s Right



## **PROGRAM DESCRIPTION**

Givens Choice is a membership-based program providing care coordination and access to a range of services, programs, and support such as home safety assessments, home care, assisted living, or nursing care to members in their own home or healthcare facilities as needs change.

There are three primary membership plan options. Each option has a one-time membership fee based on age at membership and monthly fee. Membership provides care coordination, health and wellness programs, social and educational programs, and a concierge service. There is also a consultative care, fee-for-service option for those who do not meet the medical eligibility criteria.

## **ELIGIBILITY**

The Program is non-discriminatory and is open to individuals of all races, religions, creed, color, sex or national origin. A prospective member must be at least 60 years of age and live within the designated service area of Buncombe, Henderson, McDowell, Haywood, and Polk counties, complete a Membership Application, Financial Application, Medical Application, and pass a health assessment by the Program's Care Coordination Team. A home assessment may be required prior to approval. If the home environment is considered to be unsafe, the prospective member will be required to make the recommended changes prior to approval for membership.

Medical insurance through federal, state, or private plans for medical and/or surgical and hospitalization must be maintained by each member at member's expense.

Should the member desire to become a resident of Givens Estates or Givens Highland Farms, the member will be subject to the entry requirements of the retirement community and applicable payment of fees. Subject to the terms of the Member Services Agreement, Member may remain a member of the Program and continue to pay the Monthly Fee or terminate the Member Services Agreement.

## **SERVICES**

The Program provides members the following services to the extent provided for in the Program plan selected by the member and subject to the fees, cost, and expenses and other terms and conditions set forth in the Member Services Agreement.

The Program provides members the following services to the extent provided for in the Program plan selected by the member and subject to the fees, cost and expenses and other terms and conditions set forth in the Member Services Agreement.

**Care Coordination:** Members are assigned a personal Care Navigator who works in conjunction with the Care Coordination Team to coordinate covered services and support the member in order to enable the member to remain in his or her home for as long as safely possible. The Navigator will prepare an individual care plan, updated at least annually, and check in with the member regularly.

**Home Inspection:** During the first year of membership and every other year thereafter, unless circumstances of a member's health condition justify more frequent inspections, Givens Choice will provide a functional inspection of the member's home for the purpose of ascertaining any functional and safety problems. Any recommended changes or corrections are the Member's sole responsibility.

**Home Site Services:** Home site services include home health care services, homemaker services, companion services, emergency response system, and temporary meals will be provided as deemed appropriate by the Care Coordination team. A member must exhibit at least one or more deficiencies in an activity of daily living (ADL) to be eligible for services. Activities of daily living include bathing, dressing, eating, transferring, walking/mobility, grooming and continence.

**Meals:** A maximum of two (2) meals per day for a maximum of one (1) week will be provided when due to a medical need as determined to be appropriate by the Care Coordination team.

**Emergency Response System:** An emergency response system with 24-hour coverage and monitored by a contracted provider will be provided when determined to be appropriate by the Care Coordination team.

**Facility-Based Services:** When determined to be appropriate by the Care Coordination team and prescribed by a physician, Givens Choice will arrange for facility-based assisted living in a semi-private room or skilled nursing care in a semi-private room at a Givens retirement community (Estates or Highland Farms) or other Program participating facility in accordance with the plan selected by the member.

**Adult Day Care:** Adult day care services will be provided at a Program approved provider when determined to be appropriate by the Care Coordination team and to the extent provided for in the plan selected by the member.

**Transportation:** If a member is unable to drive, or instructed by his/her physician not to drive to and from medically necessary outpatient surgery or short procedures Givens Choice will provide transportation. This does not include transportation for regular physician office visits, dialysis, and routine specialist appointments

**Common Facilities:** Members have access to all common facilities that are available for the use and benefit of residents of Givens Estates and Givens Highland Farms retirement communities where there is capacity and such use shall be subject to change or restriction from time to time at the sole discretion of Givens Estates and Givens Highland Farms. These may include a central dining room, library and computer center, heated swimming pool, chapel, multi-purpose auditorium, lounges, arts and crafts room, and others as described in the current literature. Members will be responsible for dining and applicable activity charges.

**Lifestyle and Wellness Programs:** Lifestyle and wellness programs will be offered from time to time, free of charge or with an applicable fee, including but not limited to, exercise classes, wellness seminars, speakers and day excursions.

**Activities and Leisure Events:** Planned and scheduled social, recreational, spiritual, educational, cultural, leisure, arts and crafts, and other special activities and programs designed to meet the needs of the Members will be offered free of charge or with an applicable fee.

**Referral Service:** A concierge service is available for those services not included with membership, such as landscape maintenance, home maintenance, housekeeping, and recreational transportation. The cost of the service is added to the member's monthly statement with their approval.

**Other Services and Programs for Additional Charge:** Other services and programs will be available to members at member's expense. A list of services and charges currently available is included in the Member Services Agreement.

## **SERVICE PROVIDERS**

Givens Choice utilizes industry professionals and service providers to provide services such as home care services, homemaker and companion services, and transportation for its members.

## **LIMITATION OF PROGRAM PAYMENT**

**Non-Institutional Health Care Services:** The Program may limit payment for home health care, homemaker services, companion services, emergency response system, meals and adult day care if the cost of such services for any day exceeds the then current private pay daily rate for a private room in the nursing home facility at Givens Estates retirement community.

**Care in Other Assisted Living or Nursing Care Facilities:** If a member chooses care in an assisted living or nursing home facility other than Givens or a Program participating facility, the member will continue to pay the Monthly Fee for the Program and the Program will pay for charges incurred at the facility for the level of service as defined in the Member Services Agreement. If the cost of such services for any day exceeds the then current private pay daily rate for a private room in the nursing home facility at Givens Estates retirement community the member will be responsible for paying the difference between the cost of services at the facility and the then current private pay daily rate for a private room in the nursing home facility in Givens Estates retirement community, or transfer to Givens Estates retirement community or other Program participating facility.

## **CHANGES IN LEVEL OF CARE**

A member may be transferred to a Program participating assisted living or nursing home facility temporarily or permanently if it is determined by the Care Coordination team based on a physical and mental assessment that the member is no longer mentally and/or physically able to function safely in his or her home, and shall be made only after consultation to the extent practical with the member or member's representative, and the member's attending physician.

A member diagnosed to be psychotic or mentally ill, or as having a highly contagious or dangerous disease may be transferred to a hospital, center, or institution equipped to give such care, which care will be at the expense of the member and will be made only after consultation to the extent possible with the member or member's representative, and the member's attending physician.

## **MEMBERSHIP PLANS AND FEES**

Givens Choice offers 3 membership plan options: Platinum (100% coverage,) Gold (80% coverage,) and Silver (50% coverage.)

Members pay a one-time actuarially priced non-transferable, non-interest-bearing Membership Fee based on the member’s age at time of enrollment and plan option chosen, as well as an ongoing Monthly Fee. The Monthly Fee varies with the plan option chosen. The table below shows the Membership Fee and Monthly Fee for 2023. Each member of a couple receives a 5% discount on the Membership and Monthly Fee.

**Membership Fee**

Age	Platinum	Gold	Silver	Consultative
60	\$41,375	\$22,454	\$15,708	\$7,000
65	\$66,041	\$43,363	\$29,664	\$7,000
70	\$88,749	\$62,830	\$42,488	\$7,000
75	\$109,007	\$80,443	\$54,436	\$7,000
80	\$127,838	\$96,408	\$65,302	\$7,000
85	\$144,123	\$110,416	\$74,675	\$7,000
90	\$159,400	\$123,085	\$83,224	\$7,000

**Monthly Fee**

Age	Platinum	Gold	Silver	Consultative
All Ages	745	675	500	250

The following table summarizes the service coverage levels for the above plan options:

<u>Type of Service</u>	<u>Platinum</u>	<u>Gold</u>	<u>Silver</u>
Care Coordination	100%	100%	100%
<b>Health Support Services</b>			
Adult Day Care	100%	80%	50%
Companion Services	100%	80%	50%
Live-In	100%	80%	50%
Home Health Care	100%	80%	50%
Emergency Response	100%	100%	100%
Transportation	100%	100%	100%
<b>Assisted Living Care</b>			
First 100 Days	100%	80%	50%
Over 100 Days	100%	80%	50%
<b>Nursing Home Care</b>			
First 100 Days	100%	80%	50%
Over 100 Days	100%	80%	50%

Adjustments in the Monthly Fee: The Monthly Fee is made to provide the programs and services described in this Agreement and is intended to meet the cost of administration, staffing, and other expenses associated with the operation and management of the Givens Choice program. The monthly fee is usually adjusted annually but may be adjusted from time to time in order to continue operating on a sound financial basis and maintain the Program's high standard of services. The Program will provide 30 days written notice to all members of any such increase in Monthly Fees.

Historic Changes in Major Fees: The following table shows average changes in the monthly service fees over the life of the program which began in 2023. Note that this is the average dollar amount of the CHANGE in fees from year to year that is shown, not the fees themselves. Monthly service fee changes occur once per year on January 1st.

Effective Date	% Per Month Increase	\$ Per Month (Average)
January 1, 2024	3.5%	\$21

Excess Costs: Except as specifically provided by this Agreement, Member shall be solely responsible for services not covered by Medicare Parts A and B and Medicare Supplemental Coverage, or other insurance, and for payments exceeding Member's coverage limits. Provider reserves the right to bill Medicare and other third party payers, such as insurance and long-term care insurance companies. Member is responsible for all fees and charges incurred while this Agreement remains in force and Member will pay any disputed or denied claims within ninety (90) days of the date of service.

Non-Payment. If Member fails to make any of the Monthly Fee payments at the required time, or to pay any other amounts due to Provider on the monthly statement provided to Member by Provider within thirty (30) days after it is billed to Member, Provider may give written notice to Member to pay all such amounts.

**Financial Assistance:** Without in any way limiting its right to terminate this Agreement for non-payment, Provider shall not dismiss Member nor terminate this Agreement if the sole reason for non-payment is because of Member's financial inability to continue to pay all or part of the Monthly Fee. However, Member's acceptance into the GIVENS CHOICE program has been based on facts reported by Member in the Application. If Member has weakened this position or ability to pay the Monthly Fee because Member has made gifts to others or squandered personal wealth after submitting such Financial Statement, Provider reserves the right to terminate this Agreement.

If Member is unable to pay all or part of the Monthly Fee, Provider may request a current Financial Statement of Member and, if Member does not provide such statement within thirty (30) days, Provider reserves the right to terminate this Agreement. Member agrees to allow Provider to confirm Member's assets as shown on Member's Financial Statement.

Should Member find current income insufficient to meet the current Monthly Fee, Member shall take necessary steps to liquidate capital assets in order to keep Member's account on a current basis. Member further agrees that should assets and income be insufficient to pay the present obligations, Member shall apply for any assistance which may be available to Member. If Member dies or this Agreement is otherwise terminated, any unpaid Monthly Fees or additional service fees or parts thereof, plus interest on the unpaid balance, will be charged against the refund, if any, due to Member or Member's estate as provided in Section VII.D. below. If any balance of Monthly Fees or additional service fees remains due, Member or Member's estate shall be liable to Provider for the full amount of such Monthly Fees and additional service fees. This Agreement shall operate as a lifetime assignment, transfer and conveyance to the Provider of so much of such Member's property as is necessary to cover such liability.

## REFUNDS

**During the Rescission Period:** In the case of termination within the Adjustment Period Member, or his or her estate, shall be entitled to a refund of the Membership Fee less a \$1,000 non-refundable fee and less the Monthly Fee any actual cost to the Provider to maintain the Member in Residential Healthcare, Assisted Living or Nursing Home.

**Within the First 48 Months:** If the Member Services Agreement is terminated for any reason during the first 48 months following the Effective Date, the Member will receive a refund of the Membership

Fee paid less: 1) non-refundable fee of 4% of the Membership Fee, and less a percentage of the Membership Fee for each month the Agreement remained in effect (full or partial without prorating and including the month in which the refund is payable), and 3) less any additional co-payments, deductibles, fees, cost and expenses accrued

Resident of Residential Healthcare: The percentage of the Membership Fee shall be depreciated at a rate based on the following table:

Home Site Services .....	2% per month
Any time spent in residential healthcare, assisted living or Home Site Services of equal cost in excess of one month.....	3% per month
Any time spent in a nursing home or Home Site Services of equal cost more than one month.....	4% per month

**When a Permanent Resident in Assisted Living or Nursing Home Facility:** When a Member becomes a permanent resident of a residential healthcare, Assisted Living or Skilled Nursing Facility.

**Upon Death After Adjustment Period:** After the Adjustment Period the Provider will make no refund of any portion of the Membership Fee upon the death of the Member.

**Payment of Refunds:** Any refund of the Membership Fee shall be paid to Member within sixty (120) days provided that all outstanding charges have been paid. All refunds shall be without interest.

**After 48 Months:** If the Member Services Agreement is terminated after the first 48 months or after the Membership Fee has fully amortized in accordance with the amortization percentages set forth above, following the Effective Date, no refund shall be given.

The fee associated with the Consultative Plan is non-refundable.

## TERMINATION

**By Member:** The member may terminate the Member Services Agreement for any reason by providing written notice of such termination at least 30 days in advance of the termination date. In the case of the death of the member, the Member Services Agreement shall automatically terminate.

**By Givens Choice:** Givens Choice may terminate the Member Services agreement if: 1) 1) there has been a material misrepresentation or omission made by the Member in the Member's Membership and/or Financial Applications or Personal Health History form; 2) the Member fails to make payment to the Program of any fees or charges due within 30 days of the date due; 3) the Member does not abide by the rules and regulations adopted by Program and/or Corporation; or 4) the Member breaches any of the terms and conditions of this Agreement; 5) the Member permanently relocates outside the designated service area, or 6) the care coordination team reasonably determines that the member poses a danger to him/herself or to others and member or member's designated representative refuses to allow the transfer of the member from the home site or facility to another facility.

## VII. OTHER MATERIAL INFORMATION

Givens Estates has no past or current litigation, bankruptcy filings, receivership, liquidation, anticipated actions or perils of any manner significant enough to be reported herein.

Givens Estates maintains an operating reserve fund. Investments for the fund are overseen by Givens Investment Committee (comprised of Givens Board members) and managed by Morgan Stanley. Givens Board of Directors has adopted an investment policy that provides the framework for the management and investment of the operating reserve fund.



## VII. SCHEDULE OF ATTACHMENTS

Attachment 1 - Statement of Relationship

Attachment 2 - Conflict of Interest Policy & Ethical Code of Conduct

Attachment 3 - Residence and Services Agreements – Independent Living & Friendship Park

Attachment 4 - Givens Estates Health Center & Wood Assisted Living Contract for Admission and Care

Attachment 5 - Miscellaneous Service Fees for 2024

Attachment 6 - Audited Balance Sheets and Income Statements at 12/31/22 and 12/31/23 and Unaudited Balance sheet and Income Statement at 4/30/24

Attachment 7 - 5-Year forecast of Revenues, Support Expenses, Cash Flow and Assumptions and Financial Projection for the Years Ending December 31, 2028

Attachment 8 - Comparison of the 2022 Audited Financial Statements to the 2023 Forecasted Statements for any variances greater than 5% and \$500,000.

Attachment 9 – Givens Choice Membership Service Agreement

**STATEMENT OF RELATIONSHIP**

THIS STATEMENT OF RELATIONSHIP is made and entered into as of the 21st day of January, 1995 by and between the Western North Carolina Annual Conference of the United Methodist Church (the "Conference") and The Givens Estates, Inc. a nonprofit corporation organized and existing under the laws of the State of North Carolina (the "Affiliated Organization").

**PRELIMINARY STATEMENT**

The Conference is one of the annual conferences of The United Methodist Church. The term "The United Methodist Church" refers to the overall denomination and connectional relation and identity between its many local churches, the various conferences and their respective councils, boards and agencies, and other church units, which collectively constitute the religious system known as United Methodism. Under the Constitution and disciplinary procedures set forth in *The Book of Discipline of The United Methodist Church* (the "*Discipline*"), "The United Methodist Church" as a denominational whole is not an entity, nor does it possess legal capacities and attributes. It does not and cannot hold title to property, nor does it have any officer, agent, employee, office or location. Conferences, councils, boards, agencies, local churches and other units bearing the name "United Methodist" are, for the most part, legal entities capable of suing and being sued and possessed of legal capacities.

The connectional structure of the Church is maintained through the conferences. Each of the Annual Conferences (of which the Conference is one) is composed of an equal number of ministers and lay members elected by the local churches. In turn, there is one General Conference, composed of an equal number of ministers and lay members elected by the Annual Conferences. The *Discipline* is the book of law of the Church. The *Discipline* is the product of more than 200 years of the General Conferences of the denominations which now form the Church. Each General Conference amends, perfects, clarifies, and adds its own contribution to the *Discipline*. The *Discipline* reflects what is expected of its laity and clergy as they seek to be effective witnesses in the world as a part of the whole Body of Christ. (See paragraph 114 of the 1992 *Discipline*). The relationship set forth in this Statement of Relationship is solely and

exclusively between the Conference and the Affiliated Organization.

United Methodists give high priority to helping and healing ministries as a vital part of their Christian mission. In the United States alone, there are hundreds of helping and healing programs related to local churches, and there are also hundreds of institutional ministries of which the Affiliated Organization is one. United Methodists recognize the importance of operating, maintaining and protecting those institutional ministries as a vital means of carrying out the Christian mission of United Methodism. The health and welfare ministries embraced within this mission include services in the areas of child care, aging, health care and handicapping conditions.

United Methodists, the Conference and the various institutional ministries share a common interest that health and welfare ministries bearing the name United Methodist shall be demonstrably caring, quality missions of Christian service that operate in a manner consistent with the Social Principles and other pertinent provisions of the *Discipline*.

The Affiliated Organization is one of the health and welfare ministries of United Methodism within the boundaries of and affiliated with the Conference. The Affiliated organization was organized with the encouragement and approval of the Conference by individual members of the Church who were committed to the belief that the Affiliated Organization was needed to perform the ministry set forth in its charter (the "Ministry"). The Conference and the Affiliated Organization continue in that belief. The Ministry is among the Christian missions of United Methodism and of the Conference.

The purpose of this Statement of Relationship is to set forth an accurate statement of the relationship between the Conference and the Affiliated Organization.

NOW, THEREFORE, the Conference covenants and agrees with the Affiliated Organization and the Affiliated Organization covenants and agrees with the Conference that this Statement of Relationship, including the foregoing Preliminary Statement, is an accurate statement of the relationship between the Conference and the Affiliated Organization.

## COVENANTS

1. Although the Conference and the Affiliated Organization share a common interest in carrying out the Christian mission of United Methodism and in the purposes of the Ministry of the Affiliated Organization, the Conference and the Affiliated Organization are separate, self-governing and independent. Neither is owned by the other nor is either the partner or agent of the other. The sole purpose of each of the parties in affiliating with the other as herein set out is that each believes this affiliation with the other is mutually beneficial to parties in the performance of their respective missions of Christian service. The parties hereto agree that under this affiliation:

a. The members of the governing board of the Affiliated Organization shall be confirmed, elected, and/or selected by the Conference in accordance with the charter and bylaws, present and future, of the Affiliated Organization. The governing board of the Affiliated Organization includes among its members both United Methodist Ministers and laity within the Conference, and may include other persons as provided in its charter or bylaws.

b. The Conference provides: (i) encouragement and support, including financial support to the extent deemed appropriate and feasible by the Conference; (ii) opportunities for the interchange of information and ideas among persons and institutions performing similar work and for the development of the Ministry goals and criteria; (iii) authorization for the Affiliated Organization to identify itself as an organization affiliated with the Conference; and (iv) an opportunity for the Affiliated Organization to report on the Ministry to each regular session of the Conference.

c. The Affiliated Organization undertakes: (i) to fulfill its mission of Christian service in a manner that is consistent with the Social Principles and other pertinent provisions of the *Discipline*, and acceptable to those whom it would serve and to members of the Church in the Conference; and (ii) to the extent it deems appropriate, to utilize services of the Conference and the Church available to the Affiliated Organization in performing its Ministry.

d. The Affiliated Organization, desirous of gaining maximum benefit from its affiliation with the Conference and to satisfy the Conference that it continues to operate

in a manner worthy of a United Methodist ministry, will continue to provide to the Conference such of the following as may be requested or desired by the Conference: (i) information that may be of interest to other similar ministries; (ii) copies of regular operational and financial reports; and (iii) other information regarding plans, services and ministries of the Affiliated Organization.

2. The Conference is not contractually or legally committed to provide any particular level or amount of financial support to the Affiliated Organization. Any support that the Conference does or may provide to the Affiliated Organization is, and shall be, voluntary, as determined, from time to time, solely by the Conference. The Conference has no authority to require the Affiliated Organization to assume any contractual, financial or other obligation; nor may the Conference accept or assume any such obligation in the name of the Affiliated Organization. Similarly, the Affiliated Organization has no authority to accept or assume any such obligation in the name of the Conference. Both agree that the Conference shall have no obligation or responsibility for or with respect to any contract, commitment or liability of the Affiliated Organization.

3. Church-wide solicitation (that is, solicitations addressed to the general membership of a local church) within or through local United Methodist churches of the Conference are not to be made by the Affiliated Organization except as heretofore or hereafter approved by the Conference or the resident bishop. Other solicitations, such as solicitations of individuals and entities, whether or not church members or church-related, are matters between the Affiliated Organization and the parties solicited and do not require the approval of the Conference.

4. If the affiliation between the Conference and the Affiliated Organization should at any time become unacceptable to them, or to one of them, they or either of them may sever the affiliation between them and thereafter operate entirely independently of the other. If action to sever the relationship is taken by one party only, that party shall give prompt written notice of the severance of the relationship to the other party.

5. In the event of the dissolution of the Affiliated Organization, its assets may be conveyed to the Conference or as otherwise provided in the charter of the Affiliated Organization.

6. This Statement of Relationship shall be subject to review and amendment as such times and in such manner as may be mutually agreeable to the Conference and the Affiliated Organization.

This Statement of Relationship supersedes the Statement of Relationship between the parties that was executed by the Conference on the 15th day of August, 1986 and by the Affiliated Organization on the 25th day of July, 1986.

IN WITNESS WHEREOF, each of the parties hereto has caused this Statement of Relationship to be executed in its name on the date set opposite its name below.

WESTERN NORTH CAROLINA ANNUAL CONFERENCE  
OF THE UNITED METHODIST CHURCH

Date: 4/27/95

By: [Signature]  
Its: CFA President

By: [Signature]  
Its: Bishop

CONFERENCE

ATTEST:

By: [Signature]  
Its: Treasurer

THE GIVENS ESTATES, INC.

Date: January 21, 1995

By: [Signature]  
Its: President and Chairperson

AFFILIATED ORGANIZATION

ATTEST:

By: [Signature]  
Its: Secretary

(Corporate Seal)



## Conflict of Interest Policy and Ethical Code of Conduct

### Conflict of Interest Policy

The Board of Directors (the “Board”) of The Givens Estates, Inc., Givens Housing Corporation, and Givens Affordable Communities, Inc. (“Givens” or “Corporations”) are entrusted with responsibilities which require integrity, competence and caring concern in supervising the affairs of the Corporations. The Board has the duty to place the interest of the Corporations before anything else when acting in their fiduciary capacity. This undivided loyalty means Board members are to be objective in decision making, unbiased in their approach to issues, free from ulterior motives or external control, and lack any conflict of interest when choosing between options. Pursuant to the Internal Revenue Code of 1986 as amended (the “Code”), and with conflict of interest policies recommended by the Internal Revenue Service for 501(c)(3) tax exempt organizations, the Board establishes the policy that service on the Board of Givens or as an officer or employee of these Corporations, shall not be used as a means for securing excessive private benefit or inurement to the detriment of the mission of the Corporations.

*Section 1 Procedure for Directors.* No Director who is a vendor of goods or services to the Corporations or is affiliated (as defined below) with any vendor of goods or services to the Corporations shall vote on, or participate in the administration of, any contract or other arrangement with such vendor. No Director who is a recipient of goods or services from the Corporations or is affiliated (as defined below) with a recipient of goods or services from the Corporations shall vote on, or participate in the administration of, any contract or other arrangement with such recipient. A Director shall, upon request of any other Director, leave any meeting for the period of time the Board is discussing any arrangement with which he or she has a financial interest or affiliation. Nothing herein shall prevent a Director who has a financial interest or is affiliated with a recipient of goods or services from the Corporations from participating in discussions or decisions relating to the scope or quality of goods or services provided generally to such recipient and other clients similarly situated.

*Section 2 Disclosure.* A Director shall disclose to the Board any financial interest or affiliation with an existing or proposed vendor or recipient of goods or services at any time when such Director becomes aware of a financial interest or affiliation that has not previously been disclosed. Where a Director is unsure whether a financial interest or affiliation exists, he or she shall disclose the relevant facts to the Board, and shall abide by the decision of the Board as to the existence or non-existence of an interest or affiliation and any conflict of interest.

*Section 3 Procedure for Officers and Employees.* No officer or employee of the Corporations shall, without previous approval of the Board, be, or be affiliated with, either a vendor of goods or services to, or recipient of goods or services from the Corporations.

*Section 4 Definitions.*

(a) A person shall be deemed to be affiliated with an entity if the person

- (i) serves as a member of a governing body of the entity,
- (ii) serves as an officer or employee of the entity,
- (iii) has a material economic relationship with the entity, or
- (iv) has a spouse, parent, sibling, child, or member of the immediate household who holds such a position or has such a relationship. However, no person shall be deemed to be affiliated with the Director or officer or any other affiliate of the Corporations so long as his or her relationship with the Director or officer or affiliate is known to the Board.

(b) A person shall be deemed to be affiliated with an individual if such individual is a spouse, parent, sibling, child, or member of the immediate household of such individual or has a material economic relationship with such individual.

(c) If a person is an interested person or affiliated with an interested person with respect to any entity in which the Corporations are a part, he or she is an interested person with respect to all entities in the Corporations.

(d) An interested person is any Director, officer, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined below in Section 4e.

(e) A person has a financial interest if the person has, directly or indirectly, through business, investment or family, or through an affiliated person:

- (i) An ownership or investment interest in any entity with which the Corporations have a transaction or arrangement;
- (ii) A compensation arrangement with the Corporations or with any entity or individual with which the Corporations have a transaction or arrangement; or
- (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporations are negotiating a transaction or arrangement.

Compensation includes direct or indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board decides that a conflict exists under the procedures set forth in Sections 2, 3 or 4 above.



## Code of Conduct

All Board Members:

- Shall perform their duties in good faith and to the best of their ability, refrain from any illegal conduct and seek guidance from the Board Chair, Chief Executive Officer or the Compliance Officer when uncertain of the meaning or application of a statute, regulation, or policy, or the legality of a certain practice or activity.
- No Director should accept any gift, gratuity, or service of any special favor from any person or persons, agents, or businesses which provide or receive goods and services or which seek to provide or receive goods and services to or from Givens organizations. However, minor courtesies such as luncheons, dinners or similar arrangements in connection with business discussions may be received.
- Shall not destroy or alter Givens information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from a court of competent jurisdiction;
- Shall not engage in any business practice intended to unlawfully obtain favorable treatment or business from any government entity, physician, resident, vendor, or any other party in a position to provide such treatment or business;
- Shall not enter into loans or other matters of personal financial interest with Givens.
- Shall not use confidential or proprietary information of Givens, for their own personal benefit or for the benefit of any other person or entity; except Givens, during or after serving as a Board Member for Givens;
- Shall not disclose confidential or personal information pertaining to a resident, without the express written consent of the resident or appropriate legal representative, and in accordance with applicable law and Givens' policies and procedures;
- Shall not participate in any agreement or understanding (including agreements based on a course of conduct) with a competitor of Givens, to illegally fix prices, agree on labor costs, allocate markets, or engage in group boycotts. Before considering any agreements or entering into discussions with competitor concerning any of these issues, all Board Members shall first speak with the Board Chair, Chief Executive Officer or the Compliance Officer, regarding the matter, and obtain the advice of the Compliance Officer concerning anti-trust issues;
- Shall participate in scheduled training regarding Givens compliance program and applicable state and federal laws and standards;
- Shall comply with all Givens policies governing the workplace. These include, among others, Givens policies governing:
  - Sexual harassment; drug and alcohol use and testing; confidentiality of medical, personnel, and similar information; political contributions; personal use of company equipment, products, and/or services; conflicts of interest; trading in securities (where applicable); and/or compliance with specific federal laws;
- Shall promptly report all violations of this Code of Conduct to Givens' Compliance Officer through a written report, telephone call to the hotline at 828-771-2220, or via email to

corporatecompliance@givensestates.org. The caller or author may report such information anonymously;

- Shall notify the Board Chair, Chief Executive Officer, or the Compliance Officer, immediately upon receipt (at work or home) of an inquiry, subpoena, or other agency or government request for information regarding Givens;
- Shall not fail to report an accident involving a resident, visitor, or employee;
- Shall not, engage in any action, activity or enterprise, that is inconsistent, incompatible, or in moral, legal, or practical conflict with duties, functions and responsibilities as a Givens Board Member; and
- Shall not violate a resident's rights as granted in the "Resident's Bill of Rights".

**GIVENS**  
**BOARD OF DIRECTORS**  
**2014-2015**

James E. Aydelotte  
Robert M. Blackburn, Jr.  
John S. Boggs  
Donna A. Broadwell  
William B. Cagle  
Amy L. Coles  
Daniel B. Cook  
Kathryn R. Durity  
Jane H. Fuller  
Sanford L. Giles  
Larry M. Goodpaster  
Constance M. Haire  
C. Roger Hibbard  
Marvin L. Holland  
Horace H. Hunt  
Gregory D. Hutchins  
Horace S. Jennings  
Dorothy J. Johnson  
Thomas A. Leshner  
Doris P. Loomis

Daniel G. Martin  
J. Lawrence McCleskey  
J. Edgar McFarland  
Peggy C. Melville  
Josephine C. Pyatt  
Lucian C. Rice  
Robert E. Shepherd  
Ronald A. Sistrunk  
Patricia S. Smith  
Kenneth W. Swayze, Jr.  
Phillip J. Tate  
G. Edward Towson, III  
R. Keith Turman  
Frances C. Waser  
Della J. Watson  
Alfred J. Whitesides, Jr.  
Charles W. Wilson, II  
George W. Wooten  
Sandra T. Yost

**Officers and Key Employees**

Gregory D. Hutchins - Chairperson  
Doris P. Loomis - Vice-Chairperson  
Donna A. Broadwell - Secretary  
G. Edward Towson, II - Assistant Secretary  
Kenneth W. Swayze - Treasurer  
George W. Wooten - Assistant Treasurer  
Patricia S. Smith - Immediate Past Chair  
Kenneth M. Partin - President and Chief Executive Officer  
Allen D. Squires - Chief Financial Officer  
John C. Cowan, Jr. - Executive Director, Givens Estates  
Robin J. Suddreth - Health Care Administrator  
Ken W. Kramer - Executive Director, Givens Highland Farms

# ATTACHMENT 3

## RESIDENCE AND SERVICES AGREEMENT

### **Givens Estates** Asheville, North Carolina

This Residence and Services Agreement (hereinafter called the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between The Givens Estates, Inc., a North Carolina non-profit corporation (hereinafter called "Givens Estates") and \_\_\_\_\_ (hereinafter called "Resident" or "You") for occupancy of the residence located on the Givens Estates campus shown on Schedule I attached (hereinafter called the "Residence").

Residences on the Givens Estates campus consist of Apartments, Villas, Houses, Cottages, Duplexes, and Wood Assisted Living ("WAL"). Community amenities include: wellness center with indoor pool, spa, exercise and aerobics rooms, performing arts center, casual dining bistro, private dining rooms, library and living rooms and administrative space.

You and Givens Estates agree as follows:

#### **I. RESIDENCE, COMMON AREAS AND AMENITIES, PROGRAMS AND SERVICES**

A. **Your Residence.** You shall have the exclusive right and license to occupy, use, and enjoy the Residence pursuant to the terms of this Agreement and Schedule I, attached.

B. **Furnishings in Your Residence.** Unless the Residence is an Asbury Commons Apartment or WAL, Givens Estates will provide appropriate flooring in the Residence, refrigerator with ice maker, range, microwave, hood vent, washer and dryer, garbage disposal, prewiring for telephone and cable services, and other features and fixtures as described in Givens Estates' current literature. All other furniture, furnishings, decorations, bed and bath linens, and other personal property will be provided by You.

Asbury Commons Apartments and WAL Residences may not include refrigerator, stove, oven, hood vent, garbage disposal, microwave, or washer and dryer.

C. **Options and Custom Features in Your Residence.** You may select certain options and custom features in Your Residence for an additional charge. Givens Estates will present You with a written quote specific to Your options and custom feature request detailing the prices. The cost of options and custom features selected will be paid by You at the time of selection and will become part of the Residence and the property of Givens Estates. The value of such improvements will not be considered in computing Entrance Fee refunds, unless specifically agreed to in an Addendum to this Agreement. All options and custom features must be approved by Givens Estates administration in advance of the changes made. Options and custom features must be selected and agreed upon within fourteen (14) days of the date of this agreement or once all quotes have been received, whichever is later. If changes to options and custom features occur after that time, Your obligation to take Occupancy of the

Residence and begin paying the Monthly Fee as of the Date of Occupancy (in Paragraph II.A) do not change, even if the options and custom features are not completed at the Date of Occupancy.

- D. **Common Areas and Amenities.** Givens Estates common areas and amenities are for the use and benefit of all residents and include the dining rooms, private dining rooms, performing arts center, library, mail boxes, chapel, wellness center, indoor swimming pool, meeting rooms, activity areas, arts and crafts room, woodworking shop, beauty/barber shop, walking areas, exercise areas, on-site assisted living center, and health center for nursing care.
- E. **Parking.** Givens Estates will provide lighted parking areas for Your personal vehicle (a minimum of one space for each Residence). Residents of Oxford Commons desiring parking in an under-building, covered parking space may reserve such (if available) for an extra fee as described in Givens Estates current literature and documented in an Addendum to this Agreement.
- F. **Services and Programs.**
1. **Utilities.** The Monthly Fee includes the cost of heating, air conditioning, electricity, water, sewer, trash removal, internet, cable television service and standard municipal services. Residences located in Oxford Commons, Asbury Commons, Creekside, Strawbridge Court, and Lovely Lane also have telephone services included in the Monthly Fee. Residences on Aldersgate Drive, Wesley Drive, Lady Huntingdon Lane, Cokesbury Lane, and Far Horizons Lane do not have telephone service included in the Monthly Fee and are responsible for any costs related to telephone service.
  2. **Meals.** Givens Estates will make available to each resident a declining "dining dollars" amount equal to \$278.00 per month. A maximum carryover of \$556.00 dining dollars per person is allowed from month to month; any dining dollars in excess of such maximum carryover will expire at the month's end. Any dining cost You incur in excess of Your then-remaining dining dollars will be added to the Monthly Fee. Givens Estates may change the monthly dining dollars amount from time to time during the term of this Agreement. You will receive a thirty (30) day advance notice before such change is effective.  
  
In WAL, Givens Estates will make available three meals each day. In between meals, snacks are provided and available in the kitchenettes located on each floor. Physician ordered nutritional supplements are not included in the monthly fee but can be provided at an additional cost to You.
  3. **Housekeeping Services.** The Monthly Fee includes weekly housekeeping services. The amount of time allotted for housekeeping of the Residence is determined by the size of the Residence. Additional housekeeping may be available for an extra fee.

4. **Grounds-keeping.** Givens Estates will furnish basic grounds-keeping services, including lawn, tree and shrubbery care, as part of the Monthly Fee. Subject to prior approval by Givens Estates, You may plant and maintain certain garden areas adjacent to Your Residence (for cottages, duplexes or houses) and elsewhere as designated by Givens Estates.
5. **Maintenance and Repairs.** Givens Estates will maintain and repair improvements, furnishings, appliances, and equipment owned by Givens Estates as part of the Monthly Fee. You will be responsible for the cost of repairing damage to property of Givens Estates caused by You or any of Your guests, ordinary wear and tear excepted.
6. **Transportation.** The Monthly Fee will include local group transportation for residents on a regular, scheduled basis for shopping and activities. Transportation for personal or special group trips may be available for an extra fee.
7. **Security.** Givens Estates will provide security, an emergency call system with emergency response, and smoke detectors in each Residence.
8. **Activities.** Givens Estates will provide scheduled social, recreational, spiritual, educational and cultural activities; arts and crafts; exercise and health programs; and other activities designed to meet residents' interests. Some activities may require an extra fee.
9. **Other Services and Programs at Additional Charge.** Other services and programs will be available to You at Your expense, including, but not limited to those previously mentioned, beauty and barber services, home care, personal laundry and dry cleaning, special transportation, catering, guest meals, repairs of personal property, and other special services performed for You beyond the normal scope of services offered by Givens Estates. The availability and charges for additional services are itemized in Givens Estates current literature.
10. **Notice of Change in Scope of Services.** Except for changes required by law, Givens Estates will notify You of any proposed change in the scope of services provided in this Agreement at least thirty (30) days before such change is effective. No change relating to a service included in the Monthly Fee under the terms of this Agreement shall be effective unless (a) consented to by You or (b) a reasonable adjustment is made in the Monthly Fee.
11. **Health Care Accommodations and Services.** Givens Estates may make available health care accommodations and services as follows:
  - a. **Health Care Residences.** Givens Estates may choose to provide accommodations, equipment, staffing, programs, services and supervision necessary for licensed assisted living and licensed nursing care (collectively, the "Health Care Residences"). The

Health Care Residences and services, if and when provided by Givens Estates, are available to You either temporarily or permanently on a space available basis, if needed, as determined by Givens Estates. During any period You occupy a Health Care Residence, Givens Estates will make three meals available to You each day, and snacks will be available from kitchenettes located on each floor. You shall remain entitled to the services described in Paragraph I.F.1 and I.F.3–8, to the extent appropriate for the Health Care Residence You occupy. Charges will be in accordance with Paragraph I.F.11.e. Residents of Givens Estates have priority access to all Health Care Residences and services before non-residents.

- b. **Wellness Clinic.** A wellness clinic for certain consultations, screenings, and appointments is available to You as scheduled and provided by Givens Estates.
- c. **Staffing.** Nursing care appropriate to Your needs will be provided by Givens Estates.
- d. **Medical Director.** The overall coordination and supervision of health care services within Givens Estates will be provided by a Medical Director, who will be a licensed physician selected by Givens Estates.
- e. **Charges.** Charges for the Health Care Residences and services described above in this Paragraph shall be as set forth in Paragraph III. G. 1. of this Agreement.
- f. **Health Care Services for an Additional Fee.** Other health services may be available to You at Your expense, including but not limited to pharmacy services, home care services, laboratory tests, physical therapy, occupational therapy, speech therapy, therapeutic activities, rehabilitative treatments, and wheelchairs and other medical equipment and supplies. The costs of such services are in addition to the charges described in Paragraph III. G. 1.
- g. **Personal Physician.** You will choose a personal physician who has admission privileges at a local hospital, in the event that You need to be hospitalized. You are responsible for the cost of physician services and all related medical and non-medical expenses.

## II. **DATE OF OCCUPANCY AND OCCUPANCY**

- A. **Date of Occupancy.** The Date of Occupancy will be the date established by Givens Estates based on when the Residence chosen by You is available for occupancy and You pay the 10% Deposit, as described in Paragraph III.B.1, and sign this Agreement. The Date of Occupancy will be no later than sixty (60) days from the date of this agreement unless otherwise noted. You will be expected to take Occupancy of the Residence and begin paying the Monthly Fee as of the Date of

Occupancy. The Balance of the Entrance Fee is due on or prior to the Date of Occupancy, as described in Paragraph III.B.2.

- B. **Occupancy.** As used in this Agreement, "Occupancy" will have occurred when You have signed this Agreement, have paid the Entrance Fee in full as described in Paragraph III.B.2 and have paid a full month Monthly Fee, as described in Paragraph III. C. Upon Occupancy, Givens Estates will be obligated to provide You with the Residence and services outlined in this Agreement.
- C. **Finish Selections Process.** You will have the opportunity to customize your residence within the guidelines provided by Givens Estates for Your residence. Selection of standard finishes and custom options will be completed by You within fourteen (14) days of your 10% Deposit Date or once all quotes have been received, whichever is later. Givens Estates will provide You with quotes for any custom work prior to Your final decision due date. Payment for custom options will be collected in advance of commencing work. Givens reserves the right to complete custom work in Your residence after your Date of Occupancy.

### III. **FINANCIAL ARRANGEMENTS**

- A. **Entrance Fee.** You agree to pay to Givens Estates an Entrance Fee as set forth in Schedule I, attached. The Entrance Fee assures You a place at Givens Estates for a term of years or for life. The initial Entrance Fee that You pay for the original Residence shall continue to be held as and applied against the Entrance Fee required for any subsequent Residence You may transfer to on the Givens Estates campus.
- B. **Terms of Payment of the Entrance Fee.** The terms of payment of the Entrance Fee shall be as follows:
  - 1. **10 Percent Deposit.** Upon entering this Agreement, You will pay ten percent (10%) of the total Entrance Fee for Your Residence (the "10% Deposit"), less any Wait List Deposit previously paid pursuant to a Future Residency Wait List Agreement between You and Givens Estates.
  - 2. **Balance of the Entrance Fee.** The Balance of the total Entrance Fee for the Residence (being ninety percent (90%) of the total Entrance Fee) will be due and payable on or prior to the Date of Occupancy, unless otherwise agreed to in writing by Givens Estates.
- C. **Monthly Fee.** In addition to the Entrance Fee, You agree to pay a Monthly Fee upon Occupancy for the term of this Agreement, except as provided in Paragraph III.G.1. The Monthly Fee shall be payable in advance by the tenth (10<sup>th</sup>) business day of each month. Payment of the first month's Monthly Fee is due prior to the Date of Occupancy. Your Monthly Fee will be as set forth in Schedule I, attached, subject to adjustments and additional costs described in this Agreement.
- D. **Adjustments in the Monthly Fee.** The Monthly Fee is paid to provide the facilities, programs, and services described in this Agreement, and are intended to



cover costs of the expenses associated with the operation and management of Givens Estates. With the approval of its Board of Directors, Givens Estates may increase the Monthly Fee from time to time during the term of this Agreement. The Monthly Fee will be adjusted as required, consistent with operating on a sound financial basis and maintaining quality service. You will receive a thirty (30) day advance notice of increases in the Monthly Fee or other charges.

- E. Away Allowance.** If You are away from Givens Estates for at least thirty (30) consecutive days and complete an “Away Form” in advance, You may be eligible for an Away Allowance, which will be credited to Your Monthly Fee, in accordance with Givens Estates policies, which are subject to change. The amount of any credit shall be established by Givens Estates then-current literature.
- F. Monthly Statements.** Givens Estates will furnish You a Monthly Statement showing the Monthly Fee payable for the month in advance, and any additional charges from the previous month, payable by the fifth (5<sup>th</sup>) business day of the current month. Givens Estates may charge, and You agree to pay promptly, interest at a rate of one and one-half percent per month on any unpaid balance owed by You thirty (30) days after the monthly statement is dated.
- G. Health Care Charges.**
- 1. Fee for Services.** Upon permanently occupying a Health Care Residence, You will surrender Your prior Residence and will no longer pay the Monthly Fee for the Residence; instead, You will pay the per diem fee for such Health Care Residence, as established by Givens Estates then-current literature. Upon temporarily occupying a Health Care Residence, You will continue to pay the Monthly Fee for the Residence (less any credit that may be given by Givens Estates) and You will pay the per diem fee for such Health Care Residence, as established by Givens Estates then-current literature, for the period of time that You occupy same. Such per diem fee shall cover the cost of services described in Paragraph I. F.11.a–d. You may pay additional charges for ancillary services as described in Paragraph III. G. 4.
  - 2. Level of Care Fee.** If pursuant to Paragraph VI.A Givens Estates determines that You require additional care and services beyond the basic level of care provided at the Health Care Residence You shall pay to Givens Estates a daily Level of Care Fee, as established by Givens Estates then-current literature for such level of care, in addition to the per diem fee described in Paragraph III.G.1.
  - 3. Use of Refundable Portion of the Entrance Fee.** Should You move to Givens Estates Health Center, the remaining refundable portion of the Entrance Fee can be applied to the cost of care upon the receipt of a replacement Entrance Fee for the Residence by a new resident. If You move from another Residence to WAL, no Entrance Fee refund shall be paid to You at that time and no part of the remaining refundable portion of the

Entrance Fee will be applied to the cost of care in WAL. Entrance Fee refunds will not be paid directly to any other health care facility besides Givens Estates.

4. **Additional Charges for Ancillary Health Care Services.** You will be responsible for prompt payment of all additional charges for ancillary health care services provided at Givens Estates. Ancillary services will include all services not provided by the staff of Givens Estates and/or not included in the per diem fee. Examples of additional charges include, but are not limited to, the cost of prescription and non-prescription medications, physical examinations, laboratory tests, physical therapy, home health care, occupational therapy, rehabilitative treatments, wheelchairs and other medical equipment and supplies.
5. **Care in Another Facility.** Should You need a level of care or health services beyond that provided at Givens Estates, as determined by Givens Estates, and require transfer to another facility, You will be responsible for all expenses of such transfer and services.
6. **Terms of Payment.** The per diem fees described in Paragraph III.G.1 and any Level of Care Fees You incur shall be payable in advance by the fifth (5th) business day of each month. Payment of such fees for the first calendar month or partial calendar month of occupancy of a Health Care Residence is due upon occupying a Health Care Residence. Givens Estates will credit Your account for any per diem fee paid pursuant to this Paragraph III.G for any day or days after You cease to occupy the Health Care Residence.

#### IV. **ADMISSION REQUIREMENTS AND PROCEDURES**

- A. **Age.** If You are single, You must be fifty-five (55) years of age or older at the time of Occupancy. If You are a couple, at least one member of the couple must be fifty-five (55) years of age or older at the time of Occupancy.
- B. **Application Forms.** You will provide an Application for Admission, a Personal Health History and a Confidential Financial Statement, all on forms furnished by Givens Estates for initial approval by Givens Estates.
- C. **Personal Interview.** You shall have an interview with a Marketing Representative from Givens Estates prior to Occupancy. Upon review of all information required to be furnished herein, additional personal interviews may be requested by You or Givens Estates.
- D. **Approval Process.** You will submit completed Application Forms provided to You by Givens Estates in Your 10% deposit packet within thirty (30) days of Your deposit date. Upon receipt of the completed Application Forms and the personal interview with a Marketing Representative, Givens Estates will review Your information and Your Physician's Examination Report as a basis for initial acceptance. Givens Estates will approve or deny the application for initial

admission within thirty (30) days after receiving the completed forms and will provide You with a written decision thereafter.

- E. Health Requirements.** Within thirty (30) days of Your execution of this Agreement, You will provide Givens Estates with a Physician's Examination Report completed by Your personal physician. Such report shall include a statement by the physician that You are able to live independently and undertake ongoing activities of daily living. Givens Estates may now or in the future additionally require a history and physical from Your physician to include physician progress notes. Givens Estates may require You to have another physical examination by a physician approved by Givens Estates if additional information is necessary. You shall be responsible for the cost of such physical examinations. If You do not meet the criteria for independent living established by Givens Estates, You may move to other accommodations within Givens Estates more suitable to Your needs, or terminate this Agreement.
- F. Financial Requirements.** You must have assets and income sufficient to pay Your financial obligations under this Agreement and to meet Your ordinary living expenses. Givens Estates may require You to furnish additional or updated financial information prior to Occupancy. Financial assistance may be available to residents who qualify, as determined by Givens Estates.
- G. Representations.** You affirm that the representations made in all information furnished by You to Givens Estates, including the Application for Admission, Personal Health History, Confidential Financial Statement and Physician's Examination Report, are true and correct and may be relied upon by Givens Estates as a basis for entering into this Agreement.
- H. Statement as to Non-Discrimination.** Givens Estates shall not limit residency to persons on the basis of gender, gender identity, age, marital status, sexual orientation, race, color, religion, national origin, disability or military status. We are committed to providing an inclusive and welcoming environment for all members of our residents, staff, volunteers, subcontractors and vendors.

## **V. TERMS OF RESIDENCY**

- A. Rights of Resident.** This Agreement is and shall be construed only as a revocable license. Subject to the terms and provisions of this Agreement, You have the right to occupy, use, and enjoy the Residence, common areas, amenities, programs and services of Givens Estates during the term of this Agreement. It is understood that this Agreement does not transfer or grant any right, title or interest in the real or personal property owned or administered by Givens Estates other than the rights and privileges as described in this Agreement. Nothing in this Agreement shall be construed to create a lease or the relationship of landlord and tenant between Givens Estates and You.
- B. Policies and Procedures.** All residents shall abide by Givens Estates policies and procedures, including such amendments, modifications and changes to the Resident

Handbook as may be adopted by Givens Estates. Such Handbook shall be made readily available to You.

- C. **Changes in the Residence and the Agreement.** Givens Estates has the right to change the Residence and/or the Agreement when and to the limited extent required to comply with the requirements of any applicable statutes, laws or regulations. The Residence may not be used in any manner in violation of any zoning ordinances or other governmental law or regulation.
- D. **Visitors.** Short-term visitors and guests may stay in Your Residence for limited stays. No person other than You may reside in the Residence without the approval of Givens Estates.
- E. **Occupancy by Two Residents.** When two (2) Residents occupy a Residence and one of them is no longer domiciled in the Residence, whether as a result of death or otherwise, or in the event of the termination of this Agreement with respect to one of the Residents, this Agreement shall continue in effect for the remaining Resident. The remaining Resident will thereafter pay the Single Person Monthly Fee associated with the Residence. No Entrance Fee refunds shall be paid to the remaining Resident until the Residence is vacated as described in Paragraph VII. B. 6.
- F. **Request by You for Change in Residence.** You may request a change in Residence at any time. Givens Estates carefully considers such requests, including but not limited to such factors as Your health, Your finances, availability of requested type of Residence and waiting lists. You must agree to pay the difference in the Entrance Fee and Monthly Fee between the requested Residence and the current Residence. Givens Estates may require You to enter into a new or amended Residence and Services Agreement for the new Residence. The Entrance Fee refund percentage selected at initial occupancy remains in effect during a change in residence and is applicable to any additional amounts paid as a result of the change.
  - 1. **Move to Another Residence.** Should You be approved by Givens Estates to move to a subsequent Residence, You will pay the Monthly Fee associated with the subsequent Residence. The Entrance Fee paid for Your current Residence will be retained by Givens Estates and be held as part of the Entrance Fee for a subsequent Residence. Even if the Entrance Fee for the original Residence, when You began to occupy it, was greater than the current Entrance Fee for the subsequent Residence, You will not be entitled to a refund as a result of the difference between such Entrance Fees. If, however, the Entrance Fee for the original Residence, when You began to occupy it, was less than the current Entrance Fee for the subsequent Residence, You will pay an amount equal to the difference between the Entrance Fee of the original Residence that You paid and the current Entrance Fee of the subsequent Residence.
- G. **Change in Residence at Option of Givens Estates.** If Givens Estates reasonably

determines that Your Residence needs to be vacated to permit repairs or renovations thereto, or needs to be modified or reconfigured to accommodate a new or different use of the Residence, or as a result of any other circumstances reasonably determined by Givens Estates to justify such transfer, Givens Estates may move You to a new Residence of a similar size provided that Givens Estates (i) advises You prior to undertaking any such move, (ii) gives You reasonable notice of and time to prepare for such move, (iii) incurs all the costs of such move, (iv) arranges for the prompt and convenient moving of Your personal furnishings, and (v) either provides in such new Residence optional custom improvements comparable to those provided in Your original Residence.

- H. Loss of Property.** Givens Estates shall not be responsible for the loss of any property belonging to You or to any guest due to theft, mysterious disappearance, fire or any other cause. You will be responsible for securing personal property insurance.
- I. Medical Insurance.** You shall maintain Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to Givens Estates (e.g. Federal Government employees who subscribe to Federal Blue Cross Blue Shield) and shall furnish Givens Estates with evidence of such coverage.
- J. Addition of New Occupant.**
- 1. Addition of Resident Occupant.** Should You choose to share occupancy of Your Residence with a person who is also a resident of Givens Estates, the two of You may occupy either Residence and shall surrender the unoccupied Residence. You will pay the Double Person Monthly Fee upon Occupancy by both of You in the chosen Residence. No Entrance Fee refund for the unoccupied Residence shall be paid until Givens Estates receives a replacement Entrance Fee for the vacated Residence or twenty-four (24) months after Termination by Resident (whichever occurs first), and removal of all personal belongings from such vacated Residence. However, if neither resident was an original occupant of the selected Residence when the original Residence and Services contract was signed, an additional entrance fee will be required equal to the difference between the then current Entrance Fee and the original Entrance Fee paid at the same refund percentage originally selected.
  - 2. Addition of Non-Resident Occupant.** If You should choose to share occupancy of Your Residence with a person who is not already a resident of Givens Estates, the Non-Resident Occupant may become a resident if they meet all the requirements for admission, enter into a Residence and Services Agreement with Givens Estates, and pay an Entrance Fee equal to the then-current Double Person Entrance Fee. You and the Non-Resident occupant shall pay the Double Person Monthly Fee. If the Non-Resident Occupant does not meet the requirements of Givens Estates for admission as a resident, You may terminate this Agreement in the same manner as

provided in Paragraph VII. B. with respect to a voluntary termination, or the Non-Resident Occupant may be approved for admission under special circumstances as agreed to in writing by Givens Estates and You. However, if neither the current resident nor the Non-Resident Occupant were the original occupants of the residence when the original Residence and Services contract was signed, an additional entrance fee will be required equal to the difference between the then current Entrance Fee and the original Entrance Fee paid at the same refund percentage originally selected.

- K. **Right of Entry.** You authorize employees or agents of Givens Estates to enter the Residence for the purposes of housekeeping, repairs, maintenance, inspection, and in the event of an emergency. Givens Estates will always endeavor to maintain Your privacy and the privacy of the Residence. For Your safety, You agree not to replace or add any locks to the Residence.
- L. **Residents' Organization.** Residents of Givens Estates are members of a Residents' Association that is open to all residents. Such organization elects representatives, officers, and other positions to engage in activities of interest to residents.

## VI. **TRANSFERS OR CHANGES IN LEVELS OF CARE**

- A. **Transfer to a Health Care Residence.** Givens Estates recognizes Your right of self-determination and will attempt to involve You or Your representative in all decisions related to transfers and changes in level of care. Givens Estates shall have authority to determine whether You should be transferred from Your Residence to a Health Care Residence, or from one level of care to another within Givens Estates, in cases of potential harm to Yourself or others, to assure the health and wellbeing of You and others, or to provide for the highest quality of life possible. Such determination shall be based on the opinion of the Givens Estates administration and/or the Givens Estates Medical Director and shall be made after consultation with You and Your representative and Your attending physician. Such decisions shall be made only in Your best interest and in the best interest of the larger community as determined by Givens Estates. You will have priority to move to such Health Care Residence as Givens Estates determines to best meet Your needs, as soon as such is available.
- B. **Transfer to Other Facility.** If it is determined by Givens Estates that You need care beyond that which can be provided by Givens Estates, You may be transferred to a hospital or institution equipped to give such care at Your expense. Such transfer will be made only after consultation with You and/or Your representative and attending physician.
- C. **Surrender of Residence.** If a reasonable determination is made by Givens Estates that any transfer described in Paragraph VI. A. is or is highly likely to be permanent, You agree to surrender Your Residence.

## **VII. TERMINATION AND REFUND PROVISIONS**

### **A. Termination by Resident Prior to Occupancy.**

#### **1. Termination During 30 Day Rescission Period and Before Occupancy.**

This Agreement may be terminated by You by a Written Termination Notice for any reason within thirty (30) days following the later of the execution of this Agreement or the receipt of a disclosure statement (the "Rescission Period") and You are not required to move into the Residence during this Rescission Period. The Agreement is automatically cancelled if You die before occupying the Residence, or if, on account of illness, injury, or incapacity, You would be precluded from occupying the Residence under the terms of this Agreement. If this Agreement is terminated within such Rescission Period, any monies paid by You shall be refunded in full less any non-standard costs incurred at Your request described in this Agreement or in amendment to this Agreement signed by You. Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of Your Written Termination Notice.

#### **2. Termination After the 30 Day Rescission Period and Before Occupancy.**

This Agreement may be terminated by You by a Written Termination Notice for any reason after the Rescission Period and prior to Occupancy. The Agreement is automatically cancelled if You die before occupying the Residence, or if, on account of illness, injury, or incapacity, You would be precluded from occupying the Residence under the terms of this Agreement. In the event of such termination, You will receive a refund of Your 10% Deposit, less (i) a nonrefundable fee equal to the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee for Your Residence, and (ii) any non-standard costs incurred at Your request described in this Agreement or in amendment to this Agreement signed by You. The nonrefundable fee will not be charged to You if such termination is due to Your death, death of Your spouse or second person, or because Your physical, mental or financial condition makes You ineligible for admission to Givens Estates. Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of Your Written Termination Notice.

### **B. Termination by Resident After Occupancy.**

#### **1. Termination During the 30 Day Rescission Period and After Occupancy.**

This Agreement may be terminated by You by a Written Termination Notice for any reason within the Rescission Period and You are not required to move into the Residence during this Rescission Period. If You do occupy the Residence within the Rescission Period and then terminate this Agreement before the end of the Rescission Period, any monies paid by the Resident shall be refunded in full less (i) periodic charges specified in this Agreement and applicable only to the period You actually occupied the Residence; (ii) nonstandard costs incurred at Your request described in this Agreement or in amendment to this Agreement

signed by You; and (iii) a service charge equal to the greater of One Thousand Dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee for Your Residence. Any such refund shall be paid by Givens Estates within five (5) business days following its receipt of Your Written Termination Notice.

2. **Termination After the 30 Day Rescission Period and After Occupancy.** At any time after Occupancy and after the Rescission Period ends, You may terminate this Agreement by a Written Termination Notice. In the event of such termination, You will receive a refund, less (i) periodic charges specified in this Agreement and applicable only to period You actually occupied the Residence; (ii) nonstandard costs incurred at Your request described in this Agreement or in amendment to this Agreement signed by You; and (iii) nonrefundable entrance fees as set out in paragraph VII. B. 5. below.
3. **Termination Upon Death After Occupancy.** In the event of death of a single Resident, or of the survivor of two Residents, at any time after Occupancy, this Agreement shall terminate and the refund of the Entrance Fee shall be determined according to Paragraph VII. B. 5. below.
4. **Termination by Givens Estates After Occupancy.** Givens Estates may terminate this Agreement at any time if there has been a material misrepresentation or omission made by You in Your Application for Admission, Personal Health History, Confidential Financial Statement, or Physician's Examination Report; if You fail to make payment to Givens Estates of any fees or charges due within sixty (60) days of the date when due; or if You do not abide by the rules and regulations adopted by Givens Estates, or breach any of the terms and conditions of this Agreement. In the event of termination due to any of such causes, the refund of the Entrance Fee paid to You shall be determined according to Paragraph VII. B. 5. below.
5. **Amortization of the Entrance Fee.** Your Entrance Fee may be partially refundable. The portion of the Entrance Fee that is refundable to You will decline over time, at a rate of six percent (6%) upon the date of Occupancy of the Residence and two percent (2%) on the first (1<sup>st</sup>) day of each calendar month thereafter until Your selected refund percentage remains at zero percent (0%) \_\_\_\_\_, fifty percent (50%) \_\_\_\_\_, or ninety percent (90%) \_\_\_\_\_. Regardless of the reason for termination, You are entitled to Your Entrance Fee refund, less (1) any non-standard costs requested by You and (2) any per diem Health Care Residence fees for Givens Health Center incurred by You during any period of Occupancy of a Health Care Residence in Givens Health Center, except as otherwise provided by this Agreement.
6. **Payment of Refunds.** Unless otherwise provided in this Agreement, Entrance Fee refunds will be paid upon You vacating the then current



Residence covered by this Agreement or in case of dual occupancy upon both of You vacating the then current Residence, the removal of all personal property, and upon the receipt by Givens Estates of a replacement Entrance Fee for the Residence, or the expiration of twenty-four (24) months after Termination of this Agreement by the Resident (whichever occurs first).

7. **Condition of Residence.** Upon vacating the Residence, You shall leave it in good condition except for normal wear and tear. You or Your estate shall be liable to Givens Estates for costs required to restore the Residence to good condition or standard condition, except for normal wear and tear, and for the removal and disposition of abandoned personal belongings. Such costs will be deducted from the refundable portion of the Entrance Fee due to You.
  
8. **Changes to Residence.** After the Date of Occupancy, any structural or physical changes to the Residence directed by You (including alterations such as construction of bookshelves or redecoration such as painting or wallpapering) will require the prior approval of Givens Estates and will be made only under Givens Estates supervision and direction. You shall make no structural or physical changes to any WAL Residence; Givens Estates shall maintain and decorate any WAL Residence in accordance with Givens Estates then-current literature. The cost of any change requested by You shall be at Your expense. Givens Estates may require, as a condition of approval of a requested change, that You either (i) agree to bear the cost of restoring the Residence to its original condition upon termination of Your occupancy of the Residence or (ii) prepay the estimated cost of restoring the Residence to its original condition. All structural improvements shall belong to Givens Estates.
  
9. **Notification of Termination.** For the purposes of this Paragraph VII, the term "Written Termination Notice" shall mean a written or printed notice from You or from Your representative, delivered to the following address either personally or by mail:

Director of Marketing  
Givens Estates, Inc.  
2360 Sweeten Creek Road  
Asheville, NC 28803

## VIII. **FINANCIAL ASSISTANCE**

Givens Estates has established a Financial Assistance Fund to allow a limited number of residents to continue to live at Givens Estates after their assets may have been depleted. The policies relating to financial assistance are determined by the Board of Directors. The amount of assistance is determined on an individual basis and there is no guarantee of assistance to any individual resident.

## IX. GENERAL

- A. **Prohibition of Certain Activities.** The Givens Estates campus and residences, including but not limited to WAL and Givens Estates Health Center, are smoke-free. You shall not engage or permit any guest or licensee of Yours to engage in any obnoxious or offensive activity in Your Residence or on the Givens Estates campus. No family member or other guest or invitee of Yours shall be permitted to occupy Your Residence on a regular basis, provided that such restriction shall not apply to another Resident in a semi-private WAL Residence.
- B. **Assignment.** Your rights and privileges under this Agreement to the Residence, common areas and amenities, services and programs of Givens Estates are personal to You and may not be transferred or assigned by You.
- C. **Indemnification.** You agree to indemnify and hold Givens Estates harmless from any and all personal injuries sustained by You or by any guest or invitee of Yours throughout the Givens Estates campus, except for any intentional or reckless acts by Givens Estates.
- D. **Management of Givens Estates.** The absolute rights of management are reserved by Givens Estates, its Board of Directors, and its administrators as delegated by the Board of Directors. Givens Estates reserves the right to accept or reject any person for residency. Residents do not have the right to determine admission or terms of admission for any other resident.
- E. **Entire Agreement.** This Agreement constitutes the entire contract between Givens Estates and You. Givens Estates shall not be liable or bound in any manner by any statements, representations, or promises made by any person representing or purporting to represent Givens Estates, unless such statements, representations, or promises are set forth in this Agreement or its duly executed Schedules and Addenda.
- F. **Successors and Assigns.** Except as set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of Givens Estates and Your heirs, executors, administrators, and assigns.
- G. **Subordination to Financing.** Your rights under this Agreement shall at all times be subordinate to the rights of any bona fide lender under any mortgage, deed of trust or other security interest, now existing or hereafter created, on any of the property or assets of Givens Estates and to all amendments, modifications, replacements or refinancing thereof. You shall execute and deliver any documents reasonably required by Givens Estates or by the holder of any mortgage, deed of trust or other security agreement to evidence or effect such subordination.
- H. **Transfer of Property.** You agree not to make any gift or other transfer of property for the purpose of evading Your obligations under this Agreement or if such gift or transfer would render You unable to meet such obligations. You also agree to comply with all of Givens Estates policies prohibiting and/or regarding the making



**RESIDENCE AND SERVICES AGREEMENT  
SCHEDULE I**

**Givens Estates  
Asheville, North Carolina**

Resident(s) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Residence Type/Number: \_\_\_\_\_ Occupancy Date: \_\_\_\_\_

**ENTRANCE FEE**

**Refund Option Amount: Zero Percent (0%) Refund Option**

Single Person	Double Person
Entrance Fee .....\$	Entrance Fee.....\$

*If Applicable:*

90% Refund Premium .....\$

Total Entrance Fee .....\$

x .10

10 Percent of Total Entrance Fee.....\$

Less Wait List Deposit (if applicable).....\$

10% Deposit Payable .....\$

Balance of Entrance Fee.....\$  
(payable prior to Date of Occupancy)

Notes:

**MONTHLY FEE**

**Estimated 20\_\_\_\_ Monthly Fee:**

Single Person	Double Person
Monthly Fee .....\$	Monthly Fee .....\$

Resident Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Resident Signature: \_\_\_\_\_ Date: \_\_\_\_\_



**Contract for Admission and Care**

Resident Name: \_\_\_\_\_

Health Insurance: \_\_\_\_\_

Medicare Number: \_\_\_\_\_

Admission Date: \_\_\_\_\_

Level of Care at Admission: \_\_\_\_\_

\_\_\_\_\_, is herein referred to as the "Resident".

Givens Estates, Inc. is herein referred to as the "Facility".

Givens Estates, Inc., (the "Facility"), agrees to provide skilled or assisted living care and ancillary services to Resident at Givens Estates' standard charges. A list of the current charges is incorporated into this Agreement by reference.

Resident or, in the event Resident is unable to execute this Agreement, Resident Representative and Givens Estates agree that the following terms, conditions, and policies shall apply with regard to the care provided Resident during Resident's stay at Givens Estates:

**I. Consent to Treatment**

I hereby authorize my attending physician, Dr. \_\_\_\_\_, or his/her designee, or in the absence of both, an on call emergency physician to prescribe and administer medical treatment while I am a Resident of this facility. I certify that I and/or my representative have been made aware of my medical condition and authorize this facility to perform necessary nursing and medical care. I understand that I may refuse any medication, treatment or therapy in entirety or partially at any time and release the facility and its employees or agents from any and all responsibility of consequences, which may result from my refusal.

Unless a copy of a properly executed Do Not Resuscitate (DNR) agreement or Living Will/Advance Directive for a Natural Death (LW) is provided to Givens Estates, all parties to

the Agreement represent that the facility has no agreement or understanding which would require the denial or cessation of medical treatment or procedures necessary to prolong the natural life of the Resident. If no such DNR or LW is provided, the Resident and/or Resident Representative hereby hold the facility harmless for any steps taken that prolong the natural life of the Resident.

## II. Release of Information

Givens Estates is authorized to release medical or other information concerning the Resident named above to Medicare/Medicaid agencies, private insurance companies and other sources from which payment of services is to be provided. Information may be released to hospitals and other treatment facilities to which the Resident may be transferred for health care services. Independent health care professionals treating the Resident outside of Givens Estates will be provided with medical and financial information necessary for treatment and billing purposes. Medical information will be transmitted to the state and federally approved data bank, which is required for care of Residents within a certified nursing facility. The Resident or Resident Representative may provide written authorization to disclose confidential information to other individuals.

Information released may be submitted verbally, by mail, fax, or electronic transmission. I release Givens Estates from any liability, which may arise from the release of such information. I request the payment of authorized benefits on by behalf be made to Givens Estates.

## III. Charges and Fees

The Resident agrees to pay the facility promptly when billed all fees and charges imposed by the Facility hereunder which are not covered under the Medicare or Medicaid program. If part or all of the Resident's stay at the Facility is not covered under the Medicare or Medicaid program, then in consideration of the Facility furnishing adult care or skilled nursing care to the Resident, the Resident shall pay, promptly when billed, for each day during the period set forth in the following sentence, an amount equal to the standard daily rate for such care as shown on the Facility Rate Schedule in effect. Charges and fees are subject to change with (30) days' notice. The period referred to in the preceding sentence shall commence on the date of the Resident's admission to the Facility if no part of the Resident's stay at the Facility is covered under the Medicare or Medicaid program (the "Admission Date"), or the date on which coverage for such stay terminates (the "Coverage

Termination Date”), whichever is applicable, and shall conclude on the day on which the Resident is discharged, but in no event shall such period be less than (3) days. The monthly equivalent of the aforesaid daily rate shall be payable in advance, on the Admission Date or the Coverage Termination Date, whichever is applicable, and by the 20th day of each month thereafter. Givens Estates may charge interest on outstanding accounts not received by the 30th of each month thereafter. The current charge for such care, as shown on Schedule I (a copy of which is attached hereto), is \$\_\_\_\_\_ per day/month.

The Resident also shall pay, promptly when billed, the daily co-insurance under the Medicare program, or monthly co-pay under the Medicaid program, if applicable and all charges for additional items and services furnished to the Resident which are not covered under the Medicare or Medicaid program. Such additional items and services include but are not limited to clothing, personal dry cleaning, or services furnished while the Resident’s stay at the Facility is not covered under the Medicare and Medicaid program. The charges therefore shall be only those which are permitted pursuant to section 1866 (a) of the Social Security Act and applicable regulations there under, and (b) no such additional item or service shall be furnished hereunder except at specific request of the Resident.

*Facility will advise the Resident of the amount of the Charge for Requested Services prior to furnishing those services. Refunds of any amounts paid in excess of the charges under Paragraph 3 above and this Paragraph shall be made by Facility as expeditiously as possible and in no event more than thirty (30) days after all Medicare program and Medicaid program payments as well as co-insurance payments have been collected.*

If the Resident has long term care or private insurance policies, the Facility will gladly assist the Resident in filing for reimbursement of such covered charges as long as arrangements are made for payment to come to the Facility. However, these charges are billed and treated as private charges. The Resident agrees to pay the Facility promptly when billed.

In the event the Resident fails to or refuses to pay any fees and charges due the Facility in accordance with this Agreement and it becomes necessary to place the account in the hands of a collection agency or an attorney for collection, the Resident shall pay all collection agency charges and other expenses for collection incurred by the Facility, including reasonable attorney’s fees (not exceeding 15% of the amount due to Facility) and court costs.

The acceptance of a partial payment on any occasion does not constitute any waiver of the payment requirements of this Agreement or otherwise limit the Facility's rights under this Agreement.

Resident and/or Resident Representative agree to pay for any services provided not covered by Medicare including all services provided when and if Medicare coverage should no longer be available.

Initial: \_\_\_\_\_

Medicare pays all charges for the 1st through 20th day of skilled care when the Resident meets the Medicare eligibility requirements. Beginning with the 21st to 100th day of covered care, Medicare may pay all charges except the co-insurance, (see Charge List for Medicare Co-insurance rate), this is billed to the Resident/Resident Representative. No discount is allowed on co-insurance.

Medicare coverage is determined by a Resident's diagnosis, medication, and/or treatment ordered by the physician. If at any time during the stay it is determined that a Resident's condition does not qualify for covered care under Medicare regulations, notification will be made in writing to the Resident or Resident Representative that Medicare coverage has been terminated. At this time, the Resident or Resident Representative must make satisfactory financial arrangements for continued care at the Facility. Default in payment for one (1) month will result in termination of agreement to provide care.

Ancillary charges will be billed at the end of each month.

Medicaid approved Residents must pay current monthly liability in advance. Medicaid covered residents are allowed 60 days per year for therapeutic leave for which the program will pay to hold their beds.

*Therapeutic leaves are arranged on the following basis:*

- The leave must be approved by the attending physician.
- Departure and return dates must be pre-arranged.
- The facility staff must coordinate the leave with the family.
- Resident must return at the pre-determined time or notify the facility of any extension.



- The maximum number of days for a therapeutic leave without prior approval from Medicaid is two (2) weeks.

Initial: \_\_\_\_\_ The medical needs of the above-named Resident do not meet the criteria for Medicare Part A coverage; therefore, Medicare will not cover any portion of the care. Some services, however, may be covered under Medicare Part B.

Initial: \_\_\_\_\_ The medical needs of the above-named Resident do meet the criteria for Medicare Part A coverage. I also understand if the Resident's condition changes and the medical criteria are no longer met, Medicare Part A coverage will cease.

#### IV. Trust Fund

The Trust Fund is a "petty cash" account that is maintained on behalf of Givens Estates residents. Examples of items purchased from the Trust Fund would be beautician and barber services, and sundry items. It is necessary for each Resident to maintain a balance in the account of at least as much funds as will be used by that Resident in any given month.

Givens Estates is authorized to maintain and disburse personal funds on Resident's behalf as outlined in the Policies Governing Resident's Care under "Trust Fund".

Yes \_\_\_\_\_ No \_\_\_\_\_

#### V. Personal Belongings

While Givens Estates encourages the use of personal belongings in the Resident's room, Givens Estates is not responsible for the safekeeping or replacement of such personal belongings. Items of monetary value or those items to which there is a high sentimental value should not be maintained in the Resident's room. Because of close living arrangements, memory issues for many Residents, the large number of individuals daily in and out of the Resident's living area, items such as valuable jewelry (including wedding rings), checkbooks, credit cards, antiques, cash, etc. should not be brought.

Unless delivered to the custody of the Administrator of Facility for safekeeping, the Facility shall not be responsible for any money, valuables or personal effects brought into the Facility by the Resident or by relatives or friends of the Resident. Cash is best deposited into the Trust Fund.

VI. Discharge Notice

The Resident shall give the Administrator of the Facility seven (7) days prior written notice of his/her intention to terminate their stay at the Facility, unless such notice would be due when such stay is covered under the Medicare and Medicaid program. All accrued charges shall be paid prior to such termination.

The Facility may involuntarily transfer or discharge the Resident for medical reasons, the Resident's own or other patients' welfare, or nonpayment. In the event of an involuntary transfer or discharge, the Resident shall be given at least five (5) days' notice unless a physician orders an immediate transfer and said order is documented in the medical record.

VIII. Laundry Services

Residents and families are requested to provide clothing that is easily cleaned. Clothing should be labeled with the Resident's name for identification. Residents should have a sufficient quantity of clothing to allow time for laundering.

Resident's laundry is to be done by the Facility.  Yes  No

IX. Restrictions and Liabilities

The Resident hereby agrees to indemnify and hold the Facility and its officers, directors, employees and agents harmless from and against any liability for personal injuries, death or property damage caused by the Resident, except in the case of negligence of the Facility or its officers, directors, employees or agents.

X. Documents Received

The undersigned has received a copy of the following material and accepts responsibility for cooperation with Givens Estates in these respects:

- a) Health Services Resident Handbook
- b) Information and Policies Governing Resident Care
- c) List of Charges
- d) Access to Medical Records Statement
- e) Contract for Admission and Care



- f) Advance Directives information
- g) Notice of Privacy Practices
- h) Notice of Entitlement Benefits (Information regarding Medicare/Medicaid coverage)
- i) Givens Estates Bed Hold Policy
- j) Givens Estates Nondiscrimination Policy
- k) Resident’s Bill of Rights

Resident agrees to abide by all rules and regulations established by Facility for the operation and maintenance of Facility. This includes family members and visitors of the Resident being respectful to all residents and staff members of Givens Estates.

This Agreement and any attachments constitute the entire agreement between the Resident or Resident Representative and Givens Estates. There are no other agreements, understandings, restrictions, warranties, or representations. This Agreement supersedes any prior agreements and understandings regarding admission to Givens Estates. All captions and headings are for convenience only and have no independent meaning. If any provision of this Agreement becomes invalid, the remaining provisions shall remain in full force and effect. This Agreement shall be construed according to the laws of the State of North Carolina. Other than as noted for a resident’s responsible party, the resident may not assign or otherwise transfer his or her interests in this Agreement.

This Agreement shall be binding upon Givens Estates and upon Resident and/or Resident Representative, their respective heirs, successors and assigns.

\_\_\_\_\_  
Signature of Resident or Resident Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Givens Estates Admissions Director

\_\_\_\_\_  
Date



GIVENS ESTATES HEALTH CENTER  
WOOD ASSISTED LIVING

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Contract for Admission and Care  
Schedule I

Resident(s) Name: \_\_\_\_\_

Type of Residence: \_\_\_\_\_

Residence Number: \_\_\_\_\_

Occupancy Date: \_\_\_\_\_

Refurbishment Fee: \_\_\_\_\_

Monthly/Daily Fee: \_\_\_\_\_

\_\_\_\_\_  
Signature of Resident or Resident Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Resident or Resident Representative

\_\_\_\_\_  
Date



**2024 SERVICE FEES**

**INDEPENDENT LIVING DINING OPTIONS**

*The Social Brew* is a gathering place designed to be a social hub for our community. Here, you will find smoothies, coffees, and quick-order breakfast fare in the mornings. Tapas, petite desserts, craft beer, and wine will be available in the evenings.

*Market + Craft* is a handcrafted eatery with multiple stations that provides a variety of choices. Made-to-order stations offer pizzas, grilled items, soups, salads and sandwiches to name a few. It is a casual aura and houses our Givens 2 Go and Gift Shop.

*Terrene* is an elegant and intimate restaurant offering fresh seasonal ingredients. Watch and interact with the chefs as they prepare your meals in an open-style kitchen. This venue resembles a Downtown Asheville dining experience.

Each venue offers a variety of price points to suit your needs. Menus with pricing will be advertised via the Gazette, Resident App, and GTV; menu paper copies can be found in each venue. Residents will be notified via the Gazette, Resident App, and GTV of any menu/pricing updates.

- Meal Delivery Charge: \$3.50
- Holiday/Theme Meals: Prices will vary by venue and be posted via the Gazette, Resident App, and GTV
- Residents have \$293.00 per person in dining dollars credited to their meal plan accounts each dining dollar billing cycle and \$586.00 per person can be carried over from billing cycle to billing cycle. Any balance exceeding that amount will expire at the end of your dining dollar billing cycle.
- Any purchases in excess of your dining dollars balances will be charged to your resident account and included on your monthly statement.

**EXTRA SERVICES**

Housekeeping .....	\$45.00/hour
Maintenance .....	\$45.00/hour
Grounds .....	\$45.00/hour
Telephone (includes long distance) .....	\$29 per month
Cable Television .....	\$47 per month
Data/Internet .....	\$51 per month

**BEAUTY/BARBER SHOP**

Ladies Dry Haircut .....	\$30.00
Men’s Haircut .....	\$21.00
Shampoo and Set .....	\$28.00
Shampoo, cut, blow-dry .....	\$35.00
Shampoo, cut, blow-dry, set or curling iron .....	\$50.00
Color Cut & Style .....	\$85.00
Permanent Cut & Style .....	\$85.00
Highlight .....	\$60.00
Foils start at.....	\$75.00
Eyebrow Wax .....	\$12.00
Facial Wax .....	\$11.00 - \$16.00

**MANICURES/PEDICURES**

Nail Trim & File .....	\$20.00	Basic Pedicure* .....	\$30.00
Manicure .....	\$22.00	<i>*(Includes a foot soak, nail clip and file, lotion, &amp; polish)</i>	
Polish Change .....	\$12.00	Hand & Foot Massage	
Fire & Polish Only .....	\$18.00	15 Minutes .....	\$20.00
Gel Manicure .....	\$30.00	30 Minutes .....	\$40.00
Gel Nails .....	\$40.00	House Calls (Upon Request) .....	\$15.00
Nail Dip.....	\$40.00		
Toenail Cut & File .....	\$20.00		

These enhancements are available to complement any of our nail services.

French or American-style polishes .....	\$5.00
Polish Refresher or Touch-Up .....	\$10.00
Gel Polish Refresher or Touch-Up.....	\$15.00
Nail Repair .....	\$3 per nail

## **GUEST ROOMS**

Asbury Commons - If Billed to Resident .....	\$130 per day
Asbury Commons - If Billed to Guest (taxed).....	\$140 per day
Oxford Commons - If Billed to Resident .....	\$170 per day
Guest Oxford Commons - If Billed to Guest (taxed).....	\$183 per day
Roll-Away Bed .....	\$ 20.00 per day
Extra Linens (Towel, Washcloth, Set of Sheets) .....	\$ 6.00 per set

## **WOOD ASSISTED LIVING FEES**

Studio Apartment .....	\$6,722 per month	
Deluxe Studio Apartment .....	\$7,365 per month	
One Bedroom Apartment – Single Occupancy.....	\$11,052 per month	
One Bedroom Apartment – Double Occupancy .....	\$13,498 per month	
Level of Care Charges:		
Level of Care – 2.....	\$57.00 per day	
Level of Care – 3.....	\$102.00 per day	
Transportation charges are applicable for all residents regardless of room type or level of care .....		\$40.00/hour

(Some apartments are equipped with kitchenette. A one-time Community Fee may be applicable.)

## **GIVENS ESTATES HEALTH CENTER FEES**

### **Sales Wing Daily Rate**

Private Room .....	\$426.00
Semi-Private Room.....	\$390.00
Suite .....	\$438.00

### **Starnes Wing Daily Rate**

Private Room .....	\$461.00
Semi-Private Room.....	\$408.00
Suite .....	\$489.00

For home care rates please visit Givens Home First at  
<https://givenshomefirst.org> or call (828) 575-1132.



**PERSONAL TRANSPORTATION SERVICE FEES**  
**(Per Person – Round Trip)**

**Skyland Area:**

Long Shoals Road to Rock Hill Road .....\$26.00

**Arden Area:**

Long Shoals Road to Old Airport Road .....\$31.00

**Biltmore Forest/Park/Village Area:**

Rock Hill Road to Swannanoa River Road .....\$31.00

**Fletcher Area:**

North Fletcher – Old Airport Rd. to Cane Creek Rd. (5 to 6 miles) .....\$31.00

South Fletcher –Cane Creek Rd. to Smiley Flea Market Area (6 to 10 miles) .....\$40.00

Park Ridge Hospital area (12 miles) .....\$50.00

**Airport (*ONE WAY*):** Monday - Friday only .....\$40.00

**Mission Hospital Area:**

Swannanoa River Rd. to Hilliard St (5 to 6 miles) .....\$30.00

**Downtown Area:**

South of Interstate 240 to Hilliard St (6 to 10 miles).....\$40.00

**North Asheville:**

North of Interstate 240 to Beaver Lake (6 to 10 miles) .....\$40.00

**West Asheville Area:**

Interstate 40 to Enka Exit/Patton Ave (6 to 10 miles).....\$40.00

**Fairview Area:**

Interstate 40 to Exit 55 (6 to 10 miles).....\$40.00

A single fee will be charged if a spouse or immediate family member must, of necessity, accompany a resident to medical appointments. Otherwise, there is a per person charge.

The driver’s time is charged at \$36.00 per hour, as time permits, if a resident requests driver to wait, assist with personal shopping, etc. This charge is in addition to the round-trip charge.

The driver can shop/pick up medications in the Skyland/Arden area from a limited (10 or fewer items) resident-provided list (resident does not accompany) for the flat fee of \$23.00 per errand.

**24-hour notice is requested. No appointments should be scheduled before 8:00 a.m. or after 4:30 p.m., in order to allow for pick-up before 6:00 p.m.**

**ATTACHMENT 6**

Audited Balance Sheets and Income Statements at 12/31/22 and 12/31/23

Unaudited Balance Sheet and Income Statement at 4/30/24




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# **The Givens Estates, Inc. and Subsidiaries**

**Independent Auditor's Report, Consolidated Financial  
Statements, and Supplementary Consolidating  
Information**

December 31, 2023 and 2022

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**The Givens Estates, Inc. and Subsidiaries**  
**Contents**  
**December 31, 2023 and 2022**

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[forvis.com](http://forvis.com)

## Independent Auditor's Report

Board of Directors  
The Givens Estates, Inc. and Subsidiaries  
Asheville, North Carolina

### ***Opinion***

We have audited the consolidated financial statements of The Givens Estates, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements were issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Report on Consolidating Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information as listed in the accompanying table of contents is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards, generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**FORVIS,LLP**

**Atlanta, Georgia  
April 17, 2024**

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
**December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 25,173,893	\$ 9,805,078
Assets limited as to use, current portion	1,963,958	1,822,229
Accounts receivable, net	2,801,428	4,135,330
Contributions receivable net, current portion	178,616	102,219
Other receivables	5,790,920	3,633,380
Escrow deposits	2,866,485	2,223,111
Prepaid expenses	1,173,664	1,216,549
	<u>39,948,964</u>	<u>22,937,896</u>
<b>Non-Current Assets</b>		
Property and equipment, net	226,624,975	202,315,264
Assets limited as to use, less current portion	21,609,808	44,881,574
Investments restricted for statutory operating reserve	13,484,000	12,264,000
Investments	81,736,185	68,506,433
Contributions receivable net, less current portion	202,314	146,453
Other assets	591,619	613,124
Intangibles, net	1,365,069	2,275,115
Interest rate swap asset	235,440	327,100
	<u>345,849,410</u>	<u>331,329,063</u>
Total current assets	<u>\$ 385,798,374</u>	<u>\$ 354,266,959</u>
Total non-current assets		
Total assets	<u>\$ 385,798,374</u>	<u>\$ 354,266,959</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
**December 31, 2023 and 2022**

**(Continued)**

	<u>2023</u>	<u>2022</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable and other accrued liabilities	\$ 10,060,485	\$ 7,580,135
Payroll accruals and related withholdings	2,912,696	2,286,584
Interest payable	172,738	281,611
Agency funds	19,697	20,815
Escrow deposits	2,866,485	2,223,111
Estimated resident refunds payable, current portion	5,776,000	6,018,000
Long-term debt, current portion	4,196,680	4,116,680
	<u>26,004,781</u>	<u>22,526,936</u>
<b>Long-Term Liabilities</b>		
Long-term debt, net	98,479,069	102,774,914
Resident refunds payable, net of current portion	50,676,034	49,228,522
Deferred revenue from entrance fees	107,280,371	94,554,068
Advance admission deposits	1,733,434	1,378,934
	<u>258,168,908</u>	<u>247,936,438</u>
Total long-term liabilities	<u>258,168,908</u>	<u>247,936,438</u>
Total liabilities	<u>284,173,689</u>	<u>270,463,374</u>
<b>Net Assets</b>		
Without donor restrictions	89,809,400	73,404,184
With donor restrictions	11,815,285	10,399,401
	<u>101,624,685</u>	<u>83,803,585</u>
Total net assets	<u>101,624,685</u>	<u>83,803,585</u>
Total liabilities and net assets	<u>\$ 385,798,374</u>	<u>\$ 354,266,959</u>



**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Statements of Operations**  
**Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Revenues, Gains, and Other Support</b>		
Long-term care revenue, net	\$ 16,190,730	\$ 14,504,260
Residential revenue, including amortization of entrance fees of \$13,900,000 and \$12,700,000 in 2023 and 2022, respectively	46,674,501	42,375,936
Assisted living revenue, net	4,040,109	3,931,194
Residential food service revenue	3,637,496	3,189,567
Contributions and grants	356,798	1,035,800
Interest and dividend income	1,766,981	1,376,755
Realized (loss) gain on investments	900,523	(1,468,365)
Net assets released from restrictions—operations	1,121,141	565,966
Other revenue	3,823,261	2,665,117
	<u>78,511,540</u>	<u>68,176,230</u>
<b>Expenses</b>		
Long-term care	17,006,183	14,390,949
Residential	33,906,293	28,136,522
Assisted living	3,560,706	3,204,020
Outreach	2,011,121	1,056,623
Bad debts	257,719	103,155
Depreciation	8,787,811	8,645,091
Amortization	910,046	910,046
Interest	1,900,250	1,600,947
	<u>68,340,129</u>	<u>58,047,353</u>
	<u>10,171,411</u>	<u>10,128,877</u>
<b>Operating Income</b>		
<b>Non-Operating Gain (Loss)</b>		
Unrealized gain (loss) on investments	5,777,044	(7,779,050)
Loss on disposal of property and equipment	(119,670)	(784,872)
Change in interest rate swap value	(91,659)	672,975
	<u>5,565,715</u>	<u>(7,890,947)</u>
	15,737,126	2,237,930
<b>Excess of Revenues Over Expenses</b>		
<b>Other Changes in Net Assets Without Donor Restrictions</b>		
Net assets released from restrictions—capital projects	668,090	3,078,951
	<u>16,405,216</u>	<u>5,316,881</u>
<b>Change in Net Assets without Donor Restrictions</b>		

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Statements of Changes in Net Assets**  
**Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Net Assets Without Donor Restrictions</b>		
Excess of revenues over expenses	\$ 15,737,126	\$ 2,237,930
Net assets released from restrictions—capital projects	<u>668,090</u>	<u>3,078,951</u>
Change in net assets without donor restrictions	<u>16,405,216</u>	<u>5,316,881</u>
<b>Net Assets with Donor Restrictions</b>		
Contributions	1,705,667	4,361,662
Net investment income (loss)	1,088,670	(1,326,215)
LifeMinistries income	410,778	350
Net assets released from restrictions—operating	(1,121,141)	(565,966)
Net assets released from restrictions—capital	<u>(668,090)</u>	<u>(3,078,951)</u>
Change in net assets with donor restrictions	<u>1,415,884</u>	<u>(609,120)</u>
<b>Change in Net Assets</b>	17,821,100	4,707,761
<b>Net Assets, Beginning of Year</b>	<u>83,803,585</u>	<u>79,095,824</u>
<b>Net Assets, End of Year</b>	<u><u>\$ 101,624,685</u></u>	<u><u>\$ 83,803,585</u></u>

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>Operating Activities</b>		
Change in net assets	\$ 17,821,100	\$ 4,707,761
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	8,787,811	8,645,091
Amortization of deferred financing costs and bond premium	(76,203)	(96,770)
Amortization of intangible assets	910,046	910,046
Realized and unrealized loss (gain) on investments	(7,766,237)	9,247,415
Loss on disposal of property and equipment	119,670	784,872
Change in swap value	91,659	(672,975)
Proceeds from entrance fees	18,099,448	13,544,245
Amortization of entrance fees	(13,918,829)	(12,757,267)
Bad debts	257,719	103,155
Contributed services	-	(131,830)
Contributions restricted for capital projects	-	(3,000,000)
Net change in assets and liabilities		
Change in receivables, prepaids and other assets	1,610,524	(1,727,944)
Change in accounts payable, other accrued liabilities, payroll accruals, and admission deposits	<u>6,561,882</u>	<u>(2,545,298)</u>
Net cash provided by operating activities	<u>32,498,590</u>	<u>17,010,501</u>
<b>Investing Activities</b>		
Property and equipment purchases	(36,253,065)	(21,683,474)
Proceeds from sale of property and equipment	-	24,265
Reimbursement of development costs paid for related parties	21,505	34,045
Change in assets limited as to use and investments	<u>(8,058,956)</u>	<u>(34,477,481)</u>
Net cash used by investing activities	<u>(44,290,516)</u>	<u>(56,102,645)</u>
<b>Financing Activities</b>		
Repayment of long-term debt	(4,139,642)	(4,026,681)
Debt issuance costs incurred	-	(34,810)
Refunds of entrance fees	(3,965,860)	(2,313,317)
Refundable portion of entrance fees received	3,339,239	4,601,659
Entrance fee received from initial units	10,846,154	13,044,314
Contributions restricted for capital projects	<u>-</u>	<u>3,000,000</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2023 and 2022**

**(Continued)**

	<u>2023</u>	<u>2022</u>
Net cash provided by financing activities	6,079,891	14,271,165
<b>Change in Cash, Cash Equivalents and Restricted cash</b>	(5,712,035)	(24,820,979)
<b>Cash, Cash Equivalents, and Restricted Cash, Beginning of Year</b>	55,176,036	79,997,015
<b>Cash, Cash Equivalents, and Restricted Cash, End of Year</b>	<u>\$ 49,464,001</u>	<u>\$ 55,176,036</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the year for interest	\$ 3,603,259	\$ 3,191,879
<b>Non-Cash Activities</b>		
Purchase of property and equipment in accounts payable at year-end	\$ 1,008,082	\$ 4,635,080
Resident refunds in accounts payable at year-end	\$ 460,837	\$ 2,191,898
<b>Amounts Included in the Consolidated Statements of Cash Flows as Cash, Cash Equivalents, and Restricted Cash on the Consolidated Balance Sheets</b>		
Cash and cash equivalents	\$ 25,173,893	\$ 9,805,078
Escrow deposits	2,866,485	2,223,111
Restricted cash in Assets limited as to use	21,423,623	43,147,847
<b>Cash, Cash Equivalents, and Restricted Cash, End of Year</b>	<u>\$ 49,464,001</u>	<u>\$ 55,176,036</u>

## **Note 1. Summary of Significant Accounting Policies**

### ***Organization***

The Givens Estates, Inc. is a non-profit, North Carolina corporation. The Company owns and operates two continuing care retirement communities (“CCRC”) which includes Givens Estates and Givens Highland Farms. Givens Estates is located on a 215-acre campus in Asheville, North Carolina that consists of 490 independent living units (cottages, villas, houses, duplexes, and apartments), a 47 unit assisted living facility (currently operating 43 of the 47 licensed beds), and a 70-bed health care facility (currently operating 60 of the 70 licensed beds), as well as a wellness center. Givens Highland Farms (Givens Highland Farms, LLC) is located on a 75-acre campus in Black Mountain, North Carolina and consists of 289 independent living units (homes and apartments) and a 60-bed health care facility (currently operating 55 of the 60 licensed beds).

The Company also owns and operates Givens Gerber Park II, LLC, which consists of 82 apartment homes with supportive services for seniors with modest incomes located on Gerber Road in Asheville, North Carolina.

In 2023, Givens Choice, LLC was formed with Givens Estates, Inc. as the sole member. Givens Choice, LLC is a continuing care at home program provided to seniors in the Asheville, North Carolina area.

### ***Principles of Consolidation***

The accompanying consolidated financial statements include the accounts of The Givens Estates, Inc. and its wholly owned subsidiaries: Givens Highland Farms, LLC (“Givens Highland Farms”), LifeMinistries Outreach, LLC, Givens Gerber Park II, LLC and Givens Choice, LLC, (collectively “The Company”). All significant intercompany accounts and transactions have been eliminated in consolidation.

### ***Use of Estimates***

The preparation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, amounts on deposit in banks, and highly liquid debt instruments with a maturity of 90 days or less when purchased, excluding amounts whose use is limited.

### ***Assets Limited as to Use***

These assets include (1) assets limited under trust agreements, (2) resident funds, and (3) assets set aside by the board of directors to provide supplemental assistance to residents for payment of the residents’ initial contribution and monthly rentals for the life occupancy residential complex, over which the board retains control and may at its discretion subsequently use for other purposes.

### ***Accounts Receivable***

Accounts receivable arise from the sale of residential and healthcare services and products, for which the Company grants credit on an unsecured basis. Accounts are considered past due after 30 days. The Company estimates allowance for doubtful accounts by evaluating the collectability of accounts greater than 120 days past due using historical collection information as well as reasonable forecasts to estimate expected credit losses. Once a charge has been determined to be uncollectible, it is charged-off.

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

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***Contributions Receivable***

Unconditional contributions are recorded at net present value as contributions in the consolidated balance sheets or direct additions to net assets with restrictions, if restricted by the donor or time, net of any allowances for uncollectible pledges.

***Investments***

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value based on quoted market prices in the consolidated balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in excess of revenues over expenses.

***Fair Value Measurements***

Fair value as defined under generally accepted accounting principles (“GAAP”) is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used when measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

***Property and Equipment***

Property and equipment is stated at cost or at fair value at date of donation. The Company capitalizes all assets over \$1,000 and depreciates the assets using the straight-line method over their estimated useful lives as follows:

Land improvements	10 - 20 years
Buildings	15 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	3 - 5 years

Expenditures for repairs and maintenance are charged to expenses as incurred. The costs of major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon disposition of equipment, the asset and related accumulated depreciation accounts are relieved and any related gain or loss is recorded. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

***Intangibles***

In connection with the recording of the assets and liabilities as part of the purchase of Highland Farms in 2012, intangibles of \$15,440,665 were recorded with this transaction. Givens Highland Farms obtained approximately \$14.8 million of deferred revenue and refundable entrance fee contracts. The projected net future cash flows to be generated from these resident contracts are recorded as an intangible asset and were amortized over the average life expectancy of those residents, or approximately 8 years. The remainder has been recorded as goodwill. In 2020, the Company began amortizing goodwill over the average life expectancy of those residents whose contracts the goodwill was based, or approximately 6.5 years. The Company analyzes goodwill for impairment upon the occurrence of a triggering event. There was no impairment recorded in 2023 and 2022.

**The Givens Estates, Inc. and Subsidiaries**  
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**December 31, 2023 and 2022**

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***Deferred Revenue from Entrance Fees***

Givens Estates, Inc. operates two Life Plan communities. In exchange for an entrance fee, which ranges from approximately \$45,600 to \$1,660,200 at Givens Estates and approximately \$60,000 to \$1,176,000 at Givens Highland Farms, residents are granted a lifetime occupancy interest in the residential unit. The entrance fee will vary due to the size of the residence and the contract option selected by the resident.

The nonrefundable portion of the entrance fee paid by a resident upon entering into a lifetime occupancy contract is recorded as deferred revenue. In 2008, Givens Estates began offering three types of contracts: a 90% refundable option, which the refund declines to 90% over a three-month period, a 0% refund option, which the refund declines to 0% over a four-year period, and a 50% refundable option, which the refund declines to 50% over a two-year period. For contracts signed before 2003, the refundable balance declined to 50% over an eight-year period.

Givens Highland Farms offered two types of contracts for the apartments and the lodge: a 50% refundable option, with the refund declining to 50% over a 23-month period, and a 0% refund option, with the refund declining to 0% over a 46-month period. For contracts signed before 2006 for the apartments or the lodge, the 50% refundable option declines to 50% over a 46-month period, and the 0% refundable option declines to 0% over a 60-month period. In 2015, Givens Highland Farms began offering a 65% refundable contract option for the cluster homes, condominiums and homes with the refund declining to 65% over a 16-month period. In 2014, Givens Highland Farms began offering a 75% refundable contract option for the cluster homes, condominiums and homes with the refund declining to 75% over an 11-month period. In addition, the initial contracts for the Meadowmont and Cottage homes are 75% refundable contracts. The refundable portion of contracts signed before 2014 for the cluster homes, condominiums and homes declines to 76% over a seven-year period. In 2017, Givens Highland Farms also began offering three types of contracts: a 90% refundable option, which the refund declines to 90% over a three-month period, a 50% refundable option, which the refund declines to 50% over a two-year period, and a 0% refundable option, which the refund declines to 0% over a four-year period.

The non-refundable portion of deferred revenue is amortized to income using the straight-line method over the estimated remaining life expectancy of the resident, adjusted annually.

***Resident Refunds Payable***

Resident refunds payable include estimated entrance fee refunds due to residents that have the 50%, 65%, 75%, 76% or 90% refundable contracts. Givens Estates contract stipulates that the entrance fee is refundable within two years or when a replacement occupant has been secured, whichever is sooner. Refunds are made within 30 days for Givens Highland Farms apartment contracts signed before December 1, 2012. Based on historical experience, the estimated amount of the resident refunds that are expected to be refunded in the coming year are \$5,776,000 and \$6,018,000 at December 31, 2023 and 2022, respectively, and are classified as a current liability on the consolidated balance sheet. Total contractual refund obligations in the event of move-out, death, or termination (that is if all residents with a refundable balance were to have withdrawn) at December 31, 2023 and 2022 were approximately \$88,000,000 and \$90,000,000, respectively.

***Advance Admission Deposits***

The Company collects an initial deposit of \$1,000 as part of the application process. Once the unit becomes occupied, these fees are transferred to deferred revenue.

***Net Assets***

The Company reports its net assets using the following classes; net assets without restrictions and net assets with restrictions depending on the presence and type of donor-imposed restrictions limiting the Company's ability to use or dispose of specific contributed assets or the economic benefits embodied in those assets. Net assets without restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation. Net assets with restrictions are those net assets whose use by the Company has been limited by donors (a) to later periods of time or after specified dates or (b) to specified purposes.

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***Contributions and Donor-Imposed Restrictions***

All contributions are considered to be available for use unless specifically restricted by the donor. The Company reports gifts of cash and other assets as restricted contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with restrictions are reclassified to net assets without restrictions and reported in the consolidated statement of operations as net assets released from restriction.

***Statements of Operations***

The consolidated statements of operations include excess of revenues over expenses. Changes in net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restrictions were to be used for the purposes of acquiring such assets). The Company considers excess of revenues over expenses to be its performance indicator.

***Interest Rate Swap***

The Company utilizes an interest rate swap to manage the variability in interest rates on certain variable rate debt. The Company accounts for its interest rate swap under GAAP, which requires companies to recognize all derivative instruments as either assets or liabilities in the balance sheet at fair value. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, further, on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, a company must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, cash flow hedge, or a hedge of the foreign currency exposure of a net investment in a foreign operation. For derivative instruments not designated as hedging instruments, the changes in fair value are recognized in excess of revenue over expenses. The Company's interest rate swap is not designated as a hedging instrument and the change in fair value is included in excess of revenue over expenses.

***Income Taxes***

The Company is exempt from federal income taxes under Section 501 (c) (3) of the Internal Revenue code; accordingly, the accompanying consolidated financial statements do not reflect a provision or liability for federal and state income taxes. The Company has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2023.

***Benevolent Assistance***

The Company has a policy of providing benevolent assistance to residents who are unable to pay the full cost of care and services. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis. Since the Company does not expect to collect the normal charges for services provided, charges for benevolent assistance are not included in revenue.



**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

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***Continuing-Care Contracts***

The Company enters into fee-for-service continuing-care contracts with various residents. A fee-for-service continuing-care contract is an agreement between a resident and the Company specifying the services and facilities to be provided to a resident over his or her remaining life. Under the fee-for-service contracts, the Company has the ability to increase fees as deemed necessary. For the year ended December 31, 2023 and 2022, the Company calculated the present value of the net costs of future services and the use of facilities to be provided to current residents and compared that amount with the balance of deferred revenue from entrance fees. If this calculated value exceeds the deferred revenue from entrance fees, a liability is recorded, with a corresponding charge to income. The obligation is discounted at 3.2% for December 31, 2023 and 22 based on management's estimate of interest earnings. At December 31, 2023 and 2022, the calculated value did not exceed the balance of deferred revenue from entrance fees; therefore, no liability for the obligation to provide future services is required to be recorded.

***Concentration of Credit Risk***

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash, accounts receivable and investments. The Company maintains its cash in bank accounts which, at times, may exceed federally depository insurance (FDIC) limits. Management believes the credit risk associated with these deposits is minimal.

***Methods Used for Allocation of Expenses Among Programs and Supporting Services***

The Company has presented a schedule of expenses by both function and nature in Note 18. The Company allocates expenses on a functional basis among its various programs and supporting services. The schedule of expenses in Note 18 reports certain categories of expenses that are attributable to one or more program or supporting services of the retirement community. These expenses include advertising, administration, insurance, and other.

***Adoption of New Accounting Standard***

In June 2016, the Financial Accounting Standards Board ("FASB") issued guidance ("FASB ASC 326") which significantly changed how entities will measure excess of revenues over expenses credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the company that are subject to the guidance in FASB ASC 326 were accounts receivable.

The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the consolidated financial statements and primarily resulted in enhanced disclosures only.

***Subsequent Events***

Subsequent events have been evaluated through April 17, 2024, which is the date the consolidated financial statements were issued.

**Note 2. Revenue Recognition**

The Company generates revenues, primarily by providing housing and health services to its residents. The following streams of revenue are recognized as follows:

**The Givens Estates, Inc. and Subsidiaries**  
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**Monthly Service Fees**

The contracts that residents select require an advanced fee and monthly fees based upon the type of accommodation they are applying for. Resident fee revenue for recurring and routine monthly services is generally billed monthly in advance. Payment terms are usually due within 30 days. The services provided encompass social, recreational, dining along with other services and these performance obligations are earned each month. Under Accounting Standards Codification (“ASC”) Topic 606, management has determined that the performance obligation for the standing obligation to provide the appropriate level of care is the predominate component and does not contain a lease component under ASC Topic 842. Resident fee revenue for non-routine or additional services are billed monthly in arrears and recognized when the service is provided.

**Entrance Fees**

The nonrefundable entrance fees are recognized as deferred revenue upon receipt of the payment and included in liabilities in the consolidated balance sheet until the performance obligations are satisfied. The refundable portion of an entrance fee is not considered part of the transaction price and as such is recorded as a liability in the consolidated balance sheet. Additionally, management has determined the contracts do not contain a significant financing component as the advanced payment assures residents access to services in the future. These deferred amounts are then amortized on a straight-line basis into revenue on a monthly basis over the life of the resident as the performance obligation is the material right associated with access to future services as described in Financial Accounting Standards Board (“FASB”) ASC 606-10-55 paragraph 42 and 51.

**Health Care Services**

In the facility, the Company provides assisted and nursing care to residents that are covered by government and commercial payers. Otherwise, these residents pay a per diem rate that is generally billed monthly in advance. The Company is paid fixed daily rates from government and commercial payers. The per diem daily rates and other fees billed to government and commercial payers are billed in arrears monthly. The monthly fees represent the most likely amount to be received from the 3rd party payors. Most rates are predetermined from Medicare and Medicaid.

Under ASC Topic 606, management has elected to utilize the portfolio approach in aggregating the revenues under these revenue streams. In the table below, residential revenue consists of the monthly service fee charged to each resident. The monthly service fee charge includes an allocated portion of dining and communication charges. Assisted living revenue consists of the private pay per diem rate charged to each resident. Long-term care revenue consists of the private pay per diem rate charged to each resident, as well as the fixed daily rates from government and commercial payers on behalf of certain residents. Assisted living revenue and Long-term care revenue includes additional revenue from ancillary services that are billed in arrears on the Consolidated Statement of Operations.

	<b>December 31, 2023</b>			
	<b>Residential</b>	<b>Assisted Living</b>	<b>Long-term Care</b>	<b>Total</b>
Private pay	\$ 46,674,501	\$ 3,669,765	\$ 9,003,214	\$ 59,347,480
Medicare and Medicare Advantage	-	-	3,774,456	3,774,456
Medicaid	-	-	<u>2,107,344</u>	<u>2,107,344</u>
Total	46,674,501	3,669,765	14,885,014	65,229,280
Ancillary Services	-	<u>370,344</u>	<u>1,305,716</u>	<u>1,676,060</u>
Total	<u>\$ 46,674,501</u>	<u>\$ 4,040,109</u>	<u>\$ 16,190,730</u>	<u>\$ 66,905,340</u>

**The Givens Estates, Inc. and Subsidiaries**  
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**December 31, 2023 and 2022**

	<b>December 31, 2022</b>			<b>Total</b>
	<b>Residential</b>	<b>Assisted Living</b>	<b>Long-term Care</b>	
Private pay	\$ 42,375,936	\$ 3,659,184	\$ 7,528,245	\$ 53,563,365
Medicare and Medicare Advantage	-	-	4,056,858	4,056,858
Medicaid	-	-	1,897,125	1,897,125
Total	<u>42,375,936</u>	<u>3,659,184</u>	<u>13,482,228</u>	<u>59,517,348</u>
Ancillary Services	-	<u>272,010</u>	<u>1,022,032</u>	<u>1,294,042</u>
Total	<u>\$ 42,375,936</u>	<u>\$ 3,931,194</u>	<u>\$ 14,504,260</u>	<u>\$ 60,811,390</u>

**Note 3. Fair Value of Financial Assets**

Prices for certain investments are readily available in active markets in which those securities are traded, and the resulting fair values are categorized as Level 1. Prices for certain investments are determined on a recurring basis based on inputs readily available in public markets or can be derived from information available in publicly quoted markets and are categorized as Level 2. There is limited or no observable market data for the prices of other funds that are held by the Company and the resulting fair values of these securities are categorized as Level 3. There were no investments valued as Level 3 investments during 2023 or 2022.

The Company invests in certain investments for which quoted prices are not available in active markets for identical instruments. The Company utilizes the net asset value (NAV) provided by the administrator of the fund as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported NAV. These investments are not required to be classified within a level on the fair value hierarchy.

The following tables set forth by level within the fair value hierarchy the Company's financial assets accounted for at fair value on a recurring basis as of December 31, 2023 and 2022. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

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Assets at fair value consist of the following as of December 31:

	<b>December 31, 2023</b>			<b>Fair Value</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Stocks <sup>(1)</sup>	\$ 16,826,746	\$ -	\$ -	\$ 16,826,746
Exchange traded funds	15,541,071	-	-	15,541,071
Mutual funds	21,065,538	-	-	21,065,538
Corporate bonds	-	30,412,337	-	30,412,337
Government securities	<u>1,833,464</u>	<u>-</u>	<u>-</u>	<u>1,833,464</u>
	<u>\$ 55,266,819</u>	<u>\$ 30,412,337</u>	<u>\$ -</u>	85,679,156
Investments at NAV (a)				<u>9,850,028</u>
Total investments at fair value				<u>\$ 95,529,184</u>
Interest rate swap	<u>\$ -</u>	<u>\$ 235,440</u>	<u>\$ -</u>	<u>\$ 235,440</u>

(1) These assets combined are held with Morgan Stanley and at December 31, 2023 consist of the following approximate concentrations: 32% Cyclical (basic materials, consumer goods, financial services, and real estate), 44% Sensitive (community services, energy, industrials, and technology), and 24% Defensive (consumer defense, healthcare, and utilities).

(A) In accordance with Topic 820, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Consolidated Balance Sheets.

	<b>December 31, 2022</b>			<b>Fair Value</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Stocks <sup>(1)</sup>	\$ 12,365,973	\$ -	\$ -	\$ 12,365,973
Exchange traded funds	14,496,414	-	-	14,496,414
Mutual funds	17,452,575	-	-	17,452,575
Corporate bonds	-	26,441,639	-	26,441,639
Government securities	<u>1,341,501</u>	<u>-</u>	<u>-</u>	<u>1,341,501</u>
	<u>\$ 45,656,463</u>	<u>\$ 26,441,639</u>	<u>\$ -</u>	72,098,102
Investments at NAV (a)				<u>8,554,688</u>
Total investments at fair value				<u>\$ 80,652,790</u>
Interest rate swap	<u>\$ -</u>	<u>\$ 327,100</u>	<u>\$ -</u>	<u>\$ 327,100</u>

(1) These assets combined are held with Morgan Stanley and at December 31, 2022 consist of the following approximate concentrations: 34% Cyclical (basic materials, consumer goods, financial services, and real estate), 45% Sensitive (community services, energy, industrials, and technology), and 21% Defensive (consumer defense, healthcare, and utilities).

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

(A) In accordance with Topic 820, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Consolidated Balance Sheets.

The Company has \$23,264,767 and \$46,821,446 of cash and cash equivalents included in investments and assets limited as to use on the consolidated balance sheets at December 31, 2023 and 2022, respectively, which was not classified as a level as prescribed within the provision.

The Company recognizes transfers between the levels as of the beginning of the reporting period. There were no gross transfers between the levels for the years ended December 31, 2023 and 2022.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of:

	<u>Fair Value at December 31, 2023</u>	<u>Fair Value at December 31, 2022</u>	<u>Unfunded Commitments</u>	<u>Other Redemption Restrictions</u>	<u>Redemption Notice Period</u>
UMF Diversified Fund	\$ 8,981,777	\$ 7,937,238	None	None	Daily
Private Equity	344,477	239,632	None	Quarterly	45 days
Real Estate Fund	246,487	255,943	None	Quarterly	45 days
Venture Capital Fund	<u>159,375</u>	<u>121,875</u>	\$ 253,125	None	N/A
	<u>\$ 9,732,116</u>	<u>\$ 8,554,688</u>			

**Note 4. Assets Limited as to Use**

Assets limited as to use are recorded at fair value based upon quoted market rates and consist of the following at December 31:

	<u>2023</u>	<u>2022</u>
By Board	\$ 2,770,620	\$ 2,506,197
By trust agreements for construction	17,842,476	41,456,531
Other funds	2,940,973	2,720,260
Held on behalf of others	<u>19,697</u>	<u>20,815</u>
	23,573,766	46,703,803
Current portion	<u>(1,963,958)</u>	<u>(1,822,229)</u>
	<u>\$ 21,609,808</u>	<u>\$ 44,881,574</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

**Note 5. Property and Equipment**

Property and equipment consisted of the following at December 31:

	<u>2023</u>	<u>2022</u>
Land and land improvements	\$ 12,802,796	\$ 12,213,267
Buildings	271,502,531	238,831,467
Furniture and equipment	20,411,972	18,691,495
Vehicles	711,371	667,807
Construction in progress	<u>14,548,743</u>	<u>16,807,219</u>
	319,977,413	287,211,255
Accumulated depreciation	<u>(93,352,438)</u>	<u>(84,895,991)</u>
	<u>\$ 226,624,975</u>	<u>\$ 202,315,264</u>

The Company has several construction projects in process at December 31, 2023. Remaining construction commitments at December 31, 2023 consisted of approximately \$13,000,000 to the project contractors.

**Note 6. Net Assets with Donor Restrictions**

Net assets with donor restrictions were available for the following purposes at December 31:

	<u>2023</u>	<u>2022</u>
Supplemental assistance	\$ 8,236,062	\$ 7,222,378
Capital projects	159,037	276,407
General services	1,669,633	1,124,332
Outreach	<u>1,750,553</u>	<u>1,776,284</u>
	<u>\$ 11,815,285</u>	<u>\$ 10,399,401</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Supplemental and Resident assistance	\$ 446,844	\$ 292,080
Outreach expenses	627,965	227,554
General services	<u>46,332</u>	<u>46,332</u>
Used for operations	1,121,141	565,966
Used for capital projects	<u>668,090</u>	<u>3,078,951</u>
	<u>\$ 1,789,231</u>	<u>\$ 3,644,917</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

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**Note 7. Related Party Transactions**

The Company is an income beneficiary of the Marion Jackson Givens Trust, subject to the discretion of the trustee. Revenue recorded from the trust totaled approximately \$210,000 in 2023 and \$530,000 in 2022.

There are two board members affiliated with the two law firms that serve as legal counsel for the Company. Related legal expenses incurred during 2023 and 2022 were approximately \$42,000 and \$83,000, respectively.

The Company has funds invested with the United Methodist Foundation (“UMF”). The CFO of the Company serves on the UMF Investment Committee and the Development Director of the Company serves on the board of the UMF. During 2017, the Company invested \$2,700,000 in a new development fund with UMF. The UMF development fund used these proceeds to make a loan to Givens Gerber Park, LLC.

During 2006, the Company was invited to work with the Southeastern Jurisdictional Administrative Council (“SEJAC”) and the Southeastern Methodist Association for Rehabilitation (“SEMAR”) in developing an affordable housing project for seniors in Haywood County. The project, the Great Laurels of Junaluska, is located on 6.3 acres across from the main entrance to Lake Junaluska Assembly and consists of 36 apartments funded through a grant from the HUD and 64 apartments funded primarily through tax credits. The project is owned by the Senior Residences of Lake Junaluska, LP which is owned 0.009% by Great Laurels, Inc. with the remaining ownership residing with limited partners who are not related to Givens Estates. During 2023, the limited partners of Senior Residences of Lake Junaluska, Inc. (“Senior Residences”) transferred their ownership interest to the Company. The Company uses the equity method of accounting to account for its interest in Senior Residences. At December 31, 2023, there was no investment recorded by the Company as the Senior Residences did not have positive equity.

Givens Affordable Communities, Inc. (“GAC”) an affiliate of Givens Estates, manages and provides on-site employees for the Givens Gerber Park and Givens Great Laurels Communities.

The Company is a member of Gerber Park of Asheville, LLC (49% interest). Gerber Park of Asheville, LLC is the managing member of Givens Gerber Park, LLC (.01% interest). Givens Estates has a receivable from Givens Gerber Park, LLC in the amount of approximately \$501,434. This amount relates to unreimbursed development and construction costs of Givens Gerber Park, LLC that will be reimbursed through Givens Gerber Park loans and developer fees. The Company has entered into a lease with Givens Gerber Park, LLC, where the Company owns the land that Givens Gerber Park, LLC is constructed. The Company leases this land to Givens Gerber Park, LLC for \$1 per year. This lease expires in 2065.

The Company is a managing member of Gerber Park of Asheville III, LLC (49% interest). Gerber Park of Asheville III, LLC is the managing member of Givens Gerber Park III, LLC (.01% interest). GAC has an investment in Givens Gerber Park III, LLC in the amount of approximately \$70,010. This amount relates to unreimbursed development and construction costs of Givens Gerber Park III, LLC that will be reimbursed through Givens Gerber Park loans and developer fees. The Company has entered into a lease with Givens Gerber Park of Asheville III, LLC, where the Company owns the land that Givens Gerber Park of Asheville III, LLC is constructed. The Company leases this land to Givens Gerber Park of Asheville III, LLC for \$1 per year. This lease expires in 2081.

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

**Note 8. Intangible Assets**

Intangible assets presented on the consolidated balance sheets consist of the following at December 31:

	<b>2023</b>	
	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>
Amortized intangible assets		
Resident contracts	\$ 9,649,855	\$ 9,649,855
Goodwill	<u>5,915,299</u>	<u>4,550,230</u>
	<u>\$ 15,565,154</u>	<u>\$ 14,200,085</u>
	<b>2022</b>	
	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>
Amortized intangible assets		
Resident contracts	\$ 9,649,855	\$ 9,649,855
Goodwill	<u>5,915,299</u>	<u>3,640,184</u>
	<u>\$ 15,565,154</u>	<u>\$ 13,290,039</u>

The estimated amortization expense are as follows for future periods at December 31, 2023:

2024	\$ 910,046
2025	<u>455,023</u>
	<u>\$ 1,365,069</u>

It is the intent of the Company to find replacement residents and deferred revenue entrance fee contracts as each resident leaves the community.



**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

**Note 9. Long-Term Debt**

Long-term debt consists of at December 31:

	<u>2023</u>	<u>2022</u>
Public Finance Authority Retirement Facilities Revenue Refunding Bonds Series 2017. Interest payable on each June 25 and December 25, at a rate of 2.84%. Principal payments began in 2017 with final payment due in 2033.	\$ 33,910,000	36,990,000
Public Finance Authority Retirement Facilities Revenue Bonds Series 2021. Interest payable on each June 1 and December 1, at a rate of 4.00%. Principal payments to begin in 2034 with final payment due in 2056.	48,620,000	48,620,000
Note payable to a bank, monthly payments of \$48,333 plus interest at a variable rate of 1.2% over the term SOFR for a 1-month tenor. The loan agreement was modified in 2022 to extend the maturity date to November 30, 2029.	8,120,044	8,700,040
Note payable to a bank, total available principal of \$8,500,000 due December 2026. This note converted from a construction loan to permanent debt effective April 2018 with a swap, which fixed the rate at 3.88%.	5,929,419	6,258,832
Note payable to a bank, monthly payments of \$10,606 plus interest at a variable rate of 1.2% over the term SOFR for a 1-month tenor. The loan agreement was modified in 2022 to extend the maturity date to November 30, 2029.	<u>1,866,667</u>	<u>1,993,939</u>
	98,446,130	102,562,811
Premium on bonds	5,266,177	5,416,575
Current portion	(4,196,680)	(4,116,680)
Unamortized debt issuance costs	<u>(1,036,558)</u>	<u>(1,087,792)</u>
	<u>\$ 98,479,069</u>	<u>\$ 102,774,914</u>

The following entities are included in the obligated group pursuant to the Series 2017 and 2021 bonds: the Givens Estates, Inc., Givens Highland Farms, LLC, and Givens Gerber Park II, LLC (collectively, the Obligated Group). The Series 2017 and 2021 bonds are collateralized by certain pledged assets of the Obligated Group including the Obligated Group's deed of trust. The bond agreements and loan agreements with the bank contains various covenants, the most restrictive being provisions related to long-term debt service coverage and operating ratios. Changes in tax rates could result in higher interest rates under the terms of the debt agreements.

The aggregate annual principal maturities of long-term debt are as follows at December 31, 2023:

2024	\$ 4,196,680
2025	4,276,680
2026	9,307,864
2027	4,117,268
2028	4,212,269
Thereafter	<u>72,335,369</u>
	<u>\$ 98,446,130</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

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**Note 10. Retirement Plan**

The Company participates in a 403(b) plan. The 403(b) plan provides that the Company will match employee contributions up to a maximum of 6% of their annual compensation. The Company's contribution to the plan for 2023 and 2022 was \$653,880 and \$737,813, respectively.

**Note 11. Self-Insurance Plan**

The Company has a medical self-insurance plan (the "Plan") for essentially all employees. Under the Plan, the Company is responsible for claims up to \$150,000 per employee per plan year. The plan year is the period from October 1 through September 30. Any claims in excess of this limitation are covered by a reinsurance policy.

Included in accrued expenses at December 31, 2023 and 2022 were \$274,461 and \$276,436, respectively, for unpaid claims. Claims of \$3,234,798 and \$3,208,910 were paid during the 2023 and 2022 plan years, respectively.

**Note 12. Professional Liability Insurance**

The Company has an insurance policy for possible litigation in the ordinary course of business related to professional liability claims. Management believes if any claims were asserted, they would be settled within the limits of coverage, which is on an occurrence basis, with insurance limits of \$1,000,000 per claim and \$3,000,000 in the aggregate. No claims were outstanding during the year or at year-end, and the Company has made no accrual for unasserted claims.

**Note 13. Benevolent Assistance**

The Company maintains records to identify and monitor benevolent assistance provided. Records include costs to assist residents of Givens Estates Inc. and Subsidiaries with entrance and monthly fees, medical expenses, meals, transportation, housekeeping, clothing, home care, health care, and programs and activities. Benevolent assistance costs were \$542,769 (\$418,124 for the Givens Estates campus and \$124,645 for the Givens Highland Farms campus) and \$292,829 for the years ended December 31, 2023 and 2022, respectively. Direct charitable cost is discounted by the operating margin percentage (operating revenues less realized gains/losses on investments divided by operating expenses).

The Company also provides leadership and support with several community outreach projects: Givens Great Laurels, MemoryCare, WNC UMAR, and Mountain Area Health Education Center (MAHEC).

Givens LifeMinistries is a volunteer and church-based outreach ministry which endeavors to help churches and other non-profit organizations reach out into the community to assist those in need. The program educates low-income seniors on how to access needed medications, food, transportation, housing, clothing, and works alongside agencies that provide health and aging services. Givens LifeMinistries is currently working with the Vanderbilt Apartments, Battery Park Apartments, Council on Aging, Mills River Life Enrichment Center, MY Meds (medication assistance ministry in the Toe River Valley communities), Francis Asbury Welcome Table, Hominy Valley Welcome Table, Haywood Street Congregation Welcome Table, Leicester Community Center Welcome Table, Groce UMC Welcome Table, Hope UMC Welcome Table, Saluda Welcome Table, Selica UMC Welcome Table, Skyland Welcome Table, Swannanoa Welcome Table, Black Mountain Open Table, Rutherford Welcome Table, and Seven Baby Equipment Resources Ministries. LifeMinistries also helped initiate three medical equipment loan closets.

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

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The Company has a supportive relationship with MemoryCare, a 501(c)(3) corporation. By providing for the operational costs of the SECU MemoryCare building, along with a no cost 50-year land lease and for the building, the Company has been able to help retain and strengthen a vital memory disorders health care program in Western North Carolina. The program includes a family care resource center which helps family members cope with the impact of memory diseases.

The services and funds provided to these outreach programs from the Company were \$1,924,592 (\$1,516,030 for the Givens Estates campus and \$408,562 for the Givens Highland Farms campus) and \$4,061,036 for the years ended December 31, 2023 and 2022, respectively.

#### **Note 14. Operating Reserve**

In accordance with the requirements of North Carolina General Statute 58, Article 64-33, management computes an annual operating reserve for its continuing care facilities licensed in North Carolina. At December 31, 2023, Givens Estates, Inc. and Subsidiaries were in compliance with this statute. The operating reserve is approximately \$13,484,000 (\$9,239,000 and \$4,245,000 for Givens Estates and Givens Highland Farms, respectively) and \$12,264,000 at December 31, 2023 and 2022, respectively.

#### **Note 15. Fair Value of Financial Instruments**

The carrying amounts of cash and cash equivalents, receivables, and accounts and notes payables are a reasonable estimate of their fair values. The fair value estimates presented herein are based on pertinent information available to management as of December 31, 2023 and 2022. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of the consolidated financial statements since that date, and current estimates of fair value may differ significantly from the amounts presented herein.

The Series 2017 bonds are private placement bonds. Fair value of the private placement bonds approximate carrying value. Fair value of the 2021 bonds was approximately \$40,251,000 and \$39,974,000 at December 31, 2023 and 2022. The fair value of the fixed-rate or adjustable-rate bonds payable is based on quoted market prices.

#### **Note 16. Interest Rate Swap Agreement**

In March 2018, the Company entered into an interest rate swap agreement with an original notional amount of \$8,500,000. The swap expires December 2026 and effectively fixes the variable interest rate of the \$8,500,000 loan at 3.88 percent.

The fair value the interest rate swap is reported as a long-term asset or liability in the consolidated balance sheets. The change in fair value of the interest rate swap is included in excess of revenues over expenses in the accompanying consolidated statements of operations and changes in net assets.

Absent an early termination, subsequent changes in the interest rate swap will continue to be reflected in excess of revenues over expenses, which has no cash flow impact to the Company. The cash flow settlements of the interest rate swap agreement are reflected annually in interest expense as the Company pays interest to the swap counterparty at the rate noted above.

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

**Note 17. Liquidity and Availability**

As part of its liquidity management, the Company has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due. In addition, the Company invests cash in excess of daily operating funds in short-term investments such as investment grade corporate bonds and money market funds.

The following schedule reflects the Company's financial assets to meet cash needs for general expenses within one year. The financial assets were derived from the total assets on the consolidated balance sheets by excluding the assets that are unavailable for general expenses in the next 12 months. Board designated amounts have been included in the schedule below as the board could release these funds for liquidity purposes if needed.

The Company seeks to maintain sufficient liquid assets to cover at least three months' operating and capital expenses.

<u>Asset Categories</u>	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 25,173,893	\$ 9,805,078
Accounts receivable, net	2,801,428	4,135,330
Investments	81,736,185	68,506,433
Assets limited as to Use – board designated	2,770,620	2,506,197
Donor restricted amounts	<u>(11,815,285)</u>	<u>(10,399,401)</u>
	<u>\$ 100,666,841</u>	<u>\$ 74,553,637</u>

**Note 18. Schedule of Expenses by Nature and Function**

The following is a schedule of expenses by both nature and function for the years ended December 31:

	<u>2023</u>			
	<u>Program Services</u>	<u>Administrative and General</u>	<u>Marketing and Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 24,654,764	\$ 6,463,654	\$ 1,871,025	\$ 32,989,443
Medical and personal care	8,404,124	-	-	8,404,124
Food service	3,291,621	-	-	3,291,621
Facility services	4,923,691	-	-	4,923,691
Administration	-	1,351,471	-	1,351,471
Marketing and development	-	-	322,808	322,808
Utilities and insurance	4,389,320	1,069,544	-	5,458,864
Depreciation	8,787,811	-	-	8,787,811
Amortization	910,046	-	-	910,046
Interest	<u>1,900,250</u>	<u>-</u>	<u>-</u>	<u>1,900,250</u>
Total expenses included in the expenses section on the consolidated statement of operations	<u>\$ 57,261,627</u>	<u>\$ 8,884,669</u>	<u>\$ 2,193,833</u>	<u>\$ 68,340,129</u>

**The Givens Estates, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2023 and 2022**

	<b>2022</b>			
	<u>Program Services</u>	<u>Administrative and General</u>	<u>Marketing and Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 21,399,682	\$ 5,829,517	\$ 900,954	\$ 28,130,153
Medical and personal care	5,134,916	-	-	5,134,916
Food service	2,999,441	-	-	2,999,441
Facility services	4,017,933	-	-	4,017,933
Administration	-	1,371,612	-	1,371,612
Marketing and development	-	-	385,781	385,781
Utilities and insurance	3,846,052	1,005,381	-	4,851,433
Depreciation	8,645,091	-	-	8,645,091
Amortization	910,046	-	-	910,046
Interest	1,600,947	-	-	1,600,947
Total expenses included in the expenses section on the consolidated statement of operations	<u>\$ 48,554,108</u>	<u>\$ 8,206,510</u>	<u>\$ 1,286,735</u>	<u>\$ 58,047,353</u>

***Supplementary Consolidating Information***

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidating Balance Sheet**  
**December 31, 2023**

	ESTATES*			LifeMinistries	Highland*	Gerber Park II*	Choice	Eliminations	Consolidated
	Operating Fund	Special Use Funds	Total						
<b>ASSETS</b>									
<b>Current Assets</b>									
Cash and cash equivalents	\$ 14,058,846	\$ -	\$ 14,058,846	\$ 25,230	\$ 6,235,940	\$ 1,810,452	\$ 3,043,425	\$ -	\$ 25,173,893
Assets limited as to use, current portion	13,720	1,944,261	1,957,981	-	5,977	-	-	-	1,963,958
Accounts receivable, net of allowances	1,748,881	-	1,748,881	-	1,051,716	(1,705)	2,536	-	2,801,428
Contributions receivable net, current portion	-	178,616	178,616	-	-	-	-	-	178,616
Interfund (payable) receivable	(877,201)	877,201	-	-	-	-	-	-	-
Other receivables	1,338,227	-	1,338,227	936	4,432,923	18,834	-	-	5,790,920
Escrow deposits	-	-	-	-	2,866,485	-	-	-	2,866,485
Prepaid expenses	1,071,394	-	1,071,394	-	89,383	1,026	11,861	-	1,173,664
Total current assets	17,353,867	3,000,078	20,353,945	26,166	14,682,424	1,828,607	3,057,822	-	39,948,964
<b>Non-Current Assets</b>									
Property and equipment, net	135,652,463	-	135,652,463	-	80,602,425	10,370,087	-	-	226,624,975
Due from affiliate	4,823,892	-	4,823,892	401,226	-	-	-	(5,225,118)	-
Assets limited as to use, less current portion	5,092,511	-	5,092,511	-	16,517,297	-	-	-	21,609,808
Investments restricted for statutory operating reserve	9,239,000	-	9,239,000	-	4,245,000	-	-	-	13,484,000
Investments	72,912,808	8,052,244	80,965,052	-	771,133	-	-	-	81,736,185
Contributions receivable net, less current portion	-	202,314	202,314	-	-	-	-	-	202,314
Other assets	591,619	-	591,619	-	-	-	-	-	591,619
Interest rate swap	-	-	-	-	-	235,440	-	-	235,440
Intangibles, net	-	-	-	-	1,365,069	-	-	-	1,365,069
Total non-current assets	228,312,293	8,254,558	236,566,851	401,226	103,500,924	10,605,527	-	(5,225,118)	345,849,410
Total assets	\$ 245,666,160	\$ 11,254,636	\$ 256,920,796	\$ 427,392	\$ 118,183,348	\$ 12,434,134	\$ 3,057,822	\$ (5,225,118)	\$ 385,798,374

The Givens Estates, Inc. and Subsidiaries  
Consolidating Balance Sheet  
December 31, 2023

(Continued)

	ESTATES*			LifeMinistries	Highland*	Gerber Park II*	Choice	Eliminations	Consolidated
	Operating Fund	Special Use Funds	Total						
<b>LIABILITIES AND NET ASSETS</b>									
<b>Current Liabilities</b>									
Accounts payable and other accrued liabilities	\$ 3,409,822	\$ -	\$ 3,409,822	\$ 1,451	\$ 6,559,994	\$ 11,700	\$ 77,518	\$ -	\$ 10,060,485
Payroll accruals and related withholdings	2,162,168	-	2,162,168	8,549	734,888	(10)	7,101	-	2,912,696
Interest payable	82,904	-	82,904	-	89,834	-	-	-	172,738
Agency funds	13,720	-	13,720	-	5,977	-	-	-	19,697
Escrow deposits	-	-	-	-	2,866,485	-	-	-	2,866,485
Estimated resident refunds payable, current portion	4,000,000	-	4,000,000	-	1,776,000	-	-	-	5,776,000
Long-term debt, current portion	3,160,000	-	3,160,000	-	707,268	329,412	-	-	4,196,680
Total current liabilities	12,828,614	-	12,828,614	10,000	12,740,446	341,102	84,619	-	26,004,781
<b>Long-Term Liabilities</b>									
Long-term debt, net	36,865,088	-	36,865,088	-	56,013,974	5,600,007	-	-	98,479,069
Due to affiliate	-	-	-	1,555,468	3,432,826	203,782	33,042	(5,225,118)	-
Resident refunds payable, net of current portion	17,281,235	-	17,281,235	-	33,394,799	-	-	-	50,676,034
Deferred revenue from entrance fees	77,064,581	-	77,064,581	-	27,082,711	-	3,133,079	-	107,280,371
Advance admission deposits	1,273,350	-	1,273,350	-	452,584	-	7,500	-	1,733,434
Total long-term liabilities	132,484,254	-	132,484,254	1,555,468	120,376,894	5,803,789	3,173,621	(5,225,118)	258,168,908
Total liabilities	145,312,868	-	145,312,868	1,565,468	133,117,340	6,144,891	3,258,240	(5,225,118)	284,173,689
<b>Net Assets (Deficit)</b>									
Without donor restrictions	100,353,292	-	100,353,292	(1,138,076)	(15,494,641)	6,289,243	(200,418)	-	89,809,400
With donor restrictions	-	11,254,636	11,254,636	-	560,649	-	-	-	11,815,285
Total net assets (deficit)	100,353,292	11,254,636	111,607,928	(1,138,076)	(14,933,992)	6,289,243	(200,418)	-	101,624,685
Total liabilities and net assets	\$ 245,666,160	\$ 11,254,636	\$ 256,920,796	\$ 427,392	\$ 118,183,348	\$ 12,434,134	\$ 3,057,822	\$ (5,225,118)	\$ 385,798,374

\*Represents a member of the Obligated Group.



**The Givens Estates, Inc. and Subsidiaries**  
**Consolidating Statement of Operations and Changes in Net Assets**  
**Year Ended December 31, 2023**

	<u>Estates*</u>	<u>LifeMinistries</u>	<u>Highland*</u>	<u>Gerber Park II*</u>	<u>Choice</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Revenues, Gains and Other Support</b>							
Long-term care revenue, net	\$ 9,102,619	\$ -	\$ 7,088,111	\$ -	\$ -	\$ -	\$ 16,190,730
Residential revenue	32,631,720	-	11,676,122	2,056,720	309,939	-	46,674,501
Assisted living revenue, net	4,040,109	-	-	-	-	-	4,040,109
Residential food service revenue	2,363,148	-	1,274,348	-	-	-	3,637,496
Contributions and grants	285,974	-	32,224	38,600	-	-	356,798
Interest and dividend income	1,570,724	-	129,348	24,360	42,549	-	1,766,981
Realized gain (loss) on investments	925,477	-	(24,954)	-	-	-	900,523
Net assets released - operations	694,740	410,778	15,623	-	-	-	1,121,141
Other revenue	10,502,714	-	538,794	273,088	27,361	(7,518,696)	3,823,261
	<u>62,117,225</u>	<u>410,778</u>	<u>20,729,616</u>	<u>2,392,768</u>	<u>379,849</u>	<u>(7,518,696)</u>	<u>78,511,540</u>
<b>Expenses</b>							
Administration	6,552,950	-	1,035,521	178,087	-	-	7,766,558
Assisted living	1,915,995	-	-	-	-	-	1,915,995
Long-term care	6,300,431	-	5,086,258	-	-	-	11,386,689
Home care	1,569,879	-	12,887	-	-	-	1,582,766
Maintenance	5,587,538	-	2,734,200	174,382	-	-	8,496,120
Dining services	5,444,562	-	2,964,082	349,456	-	-	8,758,100
Housekeeping	2,157,301	-	1,261,838	17,725	-	-	3,436,864
Laundry	11,348	-	119,495	-	-	-	130,843
Management fees	5,196,800	-	2,115,273	186,385	20,238	(7,518,696)	-
Marketing	1,941,003	-	-	95,372	-	-	2,036,375
Resident services	2,347,938	-	467,063	134,133	560,029	-	3,509,163
Utilities	3,047,726	-	1,311,915	278,433	-	-	4,638,074
Insurance	460,167	-	337,972	17,496	-	-	815,635
Outreach	1,360,733	244,680	405,708	-	-	-	2,011,121
Bad debts	234,325	-	23,394	-	-	-	257,719
Depreciation	6,097,280	-	2,379,448	311,083	-	-	8,787,811
Amortization	-	-	910,046	-	-	-	910,046
Interest	1,044,900	-	613,878	241,472	-	-	1,900,250
	<u>51,270,876</u>	<u>244,680</u>	<u>21,778,978</u>	<u>1,984,024</u>	<u>580,267</u>	<u>(7,518,696)</u>	<u>68,340,129</u>
<b>Operating Income (Loss)</b>	<u>10,846,349</u>	<u>166,098</u>	<u>(1,049,362)</u>	<u>408,744</u>	<u>(200,418)</u>	<u>-</u>	<u>10,171,411</u>
<b>Non-Operating Activity</b>							
Unrealized gain (loss) on investments	5,283,019	-	494,025	-	-	-	5,777,044
Loss on disposal of property and equipment	6,120	-	(125,790)	-	-	-	(119,670)
Change in interest rate swap value	-	-	-	(91,659)	-	-	(91,659)
	<u>5,289,139</u>	<u>-</u>	<u>368,235</u>	<u>(91,659)</u>	<u>-</u>	<u>-</u>	<u>5,565,715</u>
<b>Excess (Deficit) of Revenues Over Expenses</b>	<u>16,135,488</u>	<u>166,098</u>	<u>(681,127)</u>	<u>317,085</u>	<u>(200,418)</u>	<u>-</u>	<u>15,737,126</u>

The Givens Estates, Inc. and Subsidiaries  
Consolidating Statement of Operations and Changes in Net Assets  
Year Ended December 31, 2023

(Continued)

	<u>Estates*</u>	<u>LifeMinistries</u>	<u>Highland*</u>	<u>Gerber Park II*</u>	<u>Choice</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>Other changes in Net Assets Without Donor Restrictions</b>							
Net assets released –capital projects	558,415	-	109,675	-	-	-	668,090
Change in net assets without donor restrictions	<u>\$ 16,693,903</u>	<u>\$ 166,098</u>	<u>\$ (571,452)</u>	<u>\$ 317,085</u>	<u>\$ (200,418)</u>	<u>\$ -</u>	<u>\$ 16,405,216</u>
<b>Net Assets With Donor Restrictions</b>							
Contributions and grants	\$ 1,705,037	\$ -	\$ 630	\$ -	\$ -	\$ -	\$ 1,705,667
Net investment loss	1,051,102	-	37,568	-	-	-	1,088,670
LifeMinistries income	-	410,778	-	-	-	-	410,778
Net assets released – operating	(694,740)	(410,778)	(15,623)	-	-	-	(1,121,141)
Net assets released – capital	<u>(558,415)</u>	<u>-</u>	<u>(109,675)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(668,090)</u>
	<u>1,502,984</u>	<u>-</u>	<u>(87,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,415,884</u>
<b>Change in Net Assets (Deficit)</b>	18,196,887	166,098	(658,552)	317,085	(200,418)	-	17,821,100
<b>Net Assets (Deficit), Beginning of Year</b>	<u>93,411,041</u>	<u>(1,304,174)</u>	<u>(14,275,440)</u>	<u>5,972,158</u>	<u>-</u>	<u>-</u>	<u>83,803,585</u>
<b>Net Assets (Deficit), End of Year</b>	<u>\$ 111,607,928</u>	<u>\$ (1,138,076)</u>	<u>\$ (14,933,992)</u>	<u>\$ 6,289,243</u>	<u>\$ (200,418)</u>	<u>\$ -</u>	<u>\$ 101,624,685</u>

\*Represents a member of the Obligated Group.

**The Givens Estates, Inc. and Subsidiaries**  
**Consolidating Statement of Cash Flows**  
**Year Ended December 31, 2023**

	<u>Estates*</u>	<u>LifeMinistries</u>	<u>Highland*</u>	<u>Gerber Park II*</u>	<u>Choice</u>	<u>Consolidated</u>
<b>Operating Activities</b>						
Change in net assets	\$ 18,196,887	\$ 166,098	\$ (658,552)	\$ 317,085	\$ (200,418)	\$ 17,821,100
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities						
Depreciation	6,097,280	-	2,379,448	311,083	-	8,787,811
Amortization of deferred financing costs and bond premium	27,355	-	(103,558)	-	-	(76,203)
Amortization of intangible assets	-	-	910,046	-	-	910,046
Realized and unrealized gain on investments	(7,259,598)	-	(506,639)	-	-	(7,766,237)
Loss on disposal of property and equipment	(6,120)	-	125,790	-	-	119,670
Change in swap value	-	-	-	91,659	-	91,659
Proceeds from entrance fees	12,309,578	-	2,649,291	-	3,140,579	18,099,448
Amortization of entrance fees	(11,252,760)	-	(2,666,069)	-	-	(13,918,829)
Bad debts	234,325	-	23,394	-	-	257,719
Net change in assets and liabilities						
Change in receivables, prepaids and other assets	1,621,362	(20)	(4,388)	7,967	(14,397)	1,610,524
Change in accounts payable, other accrued liabilities, payroll accruals, and admission deposits	3,982,498	1,985	2,512,004	(19,224)	84,619	6,561,882
Net cash provided (used) by operating activities	<u>23,950,807</u>	<u>168,063</u>	<u>4,660,767</u>	<u>708,570</u>	<u>3,010,383</u>	<u>32,498,590</u>
<b>Investing Activities</b>						
Property and equipment purchases	(6,851,988)	-	(29,396,156)	(4,921)	-	(36,253,065)
Proceeds from sale of property and equipment	-	-	-	-	-	-
Change in due to/from affiliates	40,083	(227,657)	231,354	(76,822)	33,042	-
Marketing costs incurred	-	-	-	-	-	-
Reimbursement of development costs paid for related parties	21,505	-	-	-	-	21,505
Change in assets limited as to use and investments	(5,281,975)	-	(2,776,981)	-	-	(8,058,956)
Net cash (used) provided by investing activities	<u>(12,072,375)</u>	<u>(227,657)</u>	<u>(31,941,783)</u>	<u>(81,743)</u>	<u>33,042</u>	<u>(44,290,516)</u>
<b>Financing Activities</b>						
Repayment of long-term debt	(3,097,982)	-	(712,247)	(329,413)	-	(4,139,642)
Proceeds from long-term debt	-	-	-	-	-	-
Debt issuance costs incurred	-	-	-	-	-	-
Refunds of entrance fees	(2,745,649)	-	(1,220,211)	-	-	(3,965,860)
Refundable entrance fees received	2,341,274	-	997,965	-	-	3,339,239
Entrance fee received from initial units	-	-	10,846,154	-	-	10,846,154
Net cash provided (used) by financing activities	<u>(3,502,357)</u>	<u>-</u>	<u>9,911,661</u>	<u>(329,413)</u>	<u>-</u>	<u>6,079,891</u>
<b>Change in Cash, Cash Equivalents, and Restricted Cash</b>	8,376,075	(59,594)	(17,369,355)	297,414	3,043,425	(5,712,035)
<b>Cash, Cash Equivalents, and Restricted Cash, Beginning of Year</b>	<u>11,231,282</u>	<u>84,824</u>	<u>42,346,892</u>	<u>1,513,038</u>	<u>-</u>	<u>55,176,036</u>
<b>Cash, Cash Equivalents, and Restricted Cash, End of Year</b>	<u>\$ 19,607,357</u>	<u>\$ 25,230</u>	<u>\$ 24,977,537</u>	<u>\$ 1,810,452</u>	<u>\$ 3,043,425</u>	<u>\$ 49,464,001</u>

The Givens Estates, Inc. and Subsidiaries  
Consolidating Statement of Cash Flows  
Year Ended December 31, 2023

(Continued)

	<u>Estates*</u>	<u>LifeMinistries</u>	<u>Highland*</u>	<u>Gerber Park II*</u>	<u>Choice</u>	<u>Consolidated</u>
<b>Supplemental Disclosure of Cash Flow Information</b>						
Cash paid during the year for interest	\$ 1,044,455	\$ -	\$ 2,317,332	\$ 241,472	\$ -	\$ 3,603,259
<b>Non-Cash Activities</b>						
Purchase of property and equipment in accounts payable at year-end	\$ -	\$ -	\$ 1,008,082	\$ -	\$ -	\$ 1,008,082
Resident refunds in accounts payable at year-end	\$ -	\$ -	\$ 460,837	\$ -	\$ -	\$ 460,837
<b>Amounts Included in the Consolidated Statements of Cash Flows as Cash, Cash Equivalents, and Restricted Cash on the Consolidated Balance Sheets</b>						
Cash and cash equivalents	\$ 14,058,846	\$ 25,230	\$ 6,235,940	\$ 1,810,452	\$ 3,043,425	\$ 25,173,893
Escrow deposits	-	-	2,866,485	-	-	2,866,485
Restricted cash in Assets limited as to use	5,548,511	-	15,875,112	-	-	21,423,623
<b>Cash, Cash Equivalents, and Restricted Cash End of Year</b>	<u>\$ 19,607,357</u>	<u>\$ 25,230</u>	<u>\$ 24,977,537</u>	<u>\$ 1,810,452</u>	<u>\$ 3,043,425</u>	<u>\$ 49,464,001</u>

\*Represents a member of the Obligated Group.

**Givens Estates****Budget Comparison for the Statement of Operations and Change in Net Assets Without Donor Restrictions  
For the Period Ending April 30, 2024**

	Actual	Budget	Variance	% Variance
<b>Revenue</b>				
Long-term care revenue	\$ 3,249,302	\$ 3,196,177	\$ 53,125	2%
Residential revenue	7,660,698	7,445,392	215,306	3%
Amortization of entrance fees	3,541,909	3,325,432	216,477	7%
Assisted living revenue	1,540,973	1,430,832	110,141	8%
Residential food service revenue	837,948	814,664	23,284	3%
Contributions and bequests	203,156	372,868	(169,712)	-46%
Net assets released - operating	51,171	151,532	(100,361)	-66%
Investment income	509,367	578,544	(69,177)	-12%
Realized gain (loss) on investments	609,236	-	609,236	N/A
Other revenue	575,252	568,768	6,484	1%
<b>Total Revenue</b>	<b>18,779,012</b>	<b>17,884,209</b>	<b>894,803</b>	<b>5%</b>
<b>Expenses</b>				
Long-term care expense	3,157,417	2,979,133	178,284	6%
Residential expense	5,385,423	5,080,497	304,926	6%
Assisted living expense	1,183,363	1,256,755	(73,392)	-6%
Management fee expense	1,957,300	1,957,300	-	0%
Outreach expense	169,006	212,332	(43,326)	-20%
Bad debts	-	13,332	(13,332)	-100%
Depreciation	2,046,069	2,060,000	(13,931)	-1%
Amortization	2,950	3,000	(50)	-2%
Interest expense	325,564	353,668	(28,104)	-8%
<b>Total Expenses</b>	<b>14,227,092</b>	<b>13,916,017</b>	<b>311,075</b>	<b>2%</b>
<b>Operating income (loss)</b>	<b>4,551,920</b>	<b>3,968,192</b>	<b>583,728</b>	<b>15%</b>
<b>Non-operating</b>				
Unrealized gain (loss) on investments	773,395	-	773,395	N/A
Net assets released - capital	-	100,000	(100,000)	-100%
Gain (Loss) on sale of assets	-	-	-	N/A
<b>Total Non-operating</b>	<b>773,395</b>	<b>100,000</b>	<b>673,395</b>	<b>673%</b>
<b>Change in net assets</b>	<b>\$ 5,325,315</b>	<b>\$ 4,068,192</b>	<b>\$ 1,257,123</b>	<b>31%</b>

**Givens Estates**  
**Balance Sheet**  
**April 30, 2024**

	2024		
	Operating	Restricted	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 49,007,315	\$ -	\$ 49,007,315
Assets limited as to use, current	13,897	2,392,298	2,406,195
Accounts receivable, net	2,204,325	-	2,204,325
Other receivables	557,444	8,060	565,504
Contributions receivable - current	-	178,616	178,616
Interfund receivable (payable)	(1,198,190)	1,198,190	-
Prepaid expenses	1,692,966	-	1,692,966
<b>Total Current Assets</b>	<b>52,277,757</b>	<b>3,777,164</b>	<b>56,054,921</b>
<b>Non-Current Assets</b>			
Assets limited to use, non-current	3,789,645	-	3,789,645
Contributions receivable - non-current	-	202,314	202,314
Due from affiliate	13,013,246	-	13,013,246
Property and equipment, net	134,814,044	-	134,814,044
Investments	52,201,209	7,779,003	59,980,212
Assets Held for Deferred Compensation	323,790	-	323,790
Loan Receivable	274,000	-	274,000
Deferred developer fee	464,665	-	464,665
<b>Total Non-current Assets</b>	<b>204,880,599</b>	<b>7,981,317</b>	<b>212,861,916</b>
<b>Total Assets</b>	<b>\$ 257,158,356</b>	<b>\$ 11,758,481</b>	<b>\$ 268,916,837</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	2,550,143	\$ -	\$ 2,550,143
Payroll accruals and related withholding	2,380,995	-	2,380,995
Interest payable	77,756	-	77,756
Agency funds	13,897	-	13,897
Current portion of long-term debt	3,165,000	-	3,165,000
<b>Total Current Liabilities</b>	<b>8,187,791</b>	<b>-</b>	<b>8,187,791</b>
<b>Long-Term Liabilities</b>			
Long-term debt	35,818,037	-	35,818,037
Deferred Compensation	306,853	-	306,853
Due to affiliate	8,025,500	-	8,025,500
Deferred revenue - refundable	19,434,556	-	19,434,556
Deferred revenue - nonrefundable	78,494,657	-	78,494,657
Advance admission deposits	1,396,100	-	1,396,100
<b>Total Long-term Liabilities</b>	<b>143,475,703</b>	<b>-</b>	<b>143,475,703</b>
<b>Total Liabilities</b>	<b>151,663,494</b>	<b>-</b>	<b>151,663,494</b>
<b>Net Assets</b>			
Net assets without donor restrictions	105,494,862	-	105,494,862
Net assets with donor restrictions	-	11,758,481	11,758,481
<b>Total net assets</b>	<b>105,494,862</b>	<b>11,758,481</b>	<b>117,253,343</b>
<b>Total Liabilities and net assets</b>	<b>\$ 257,158,356</b>	<b>\$ 11,758,481</b>	<b>\$ 268,916,837</b>

**Givens Estates**  
**Statement of Cash Flows**  
**For the Period Ending April 30, 2024**

	<u>Estates</u>
<b>Cash flows from operating activities:</b>	
Change in net assets	\$ 5,325,315
Adjustments to reconcile net cash provided by operating activities:	
Depreciation	2,046,069
Amortization	2,950
(Gain) loss on sale of equipment	-
Realized loss on disposal of property	-
Realized and Unrealized (gains) losses on investments	(1,382,631)
Proceeds from residential living entrance fees	5,186,243
Amortization of entrance fees	(3,541,909)
Bad debts	-
Contributions restricted for capital projects	-
Change in operational receivables and prepaids	(284,146)
Change in operational payables and other liabilities	(180,978)
Due to restricted fund	329,185
Net cash provided by operating activities	<u>7,500,098</u>
<b>Cash flows from investing activities:</b>	
Property and equipment purchases	(1,207,651)
Change in assets limited as to use and investments	1,380,273
Change in developer fee	106,779
Change in loan receivable	(274,000)
Change in due from/to affiliate	(341,427)
Net cash used by investing activities	<u>(336,026)</u>
<b>Cash flows from financing activities:</b>	
Principal payments - bank loan	(1,045,000)
Refunds of entrance fees	(2,158,291)
Refundable portion of entrance fees received	28,915
Friendship Park 1st generation entrance fees	-
Options deposits received	51,500
Net cash provided (used) by financing activities	<u>(3,122,876)</u>
Net increase (decrease) in cash and cash equivalents	<u>4,041,196</u>
Cash and cash equivalents at beginning of year	44,966,119
Cash and cash equivalents at end of period	<u>\$ 49,007,315</u>
Supplemental disclosure of cash flow information	
Cash paid during the year for interest	<u>\$ 320,416</u>

ATTACHMENT 7

5-Year Forecast of Revenues, Support Expenses, Cash Flow and Assumptions  
and Financial Projection for the Years Ending December 31, 2028



**The Givens Estates, Inc. and Subsidiaries**

Compilation of a Financial Projection

For Each of the Five Years Ending  
December 31, 2028

(with Accountants' Compilation Report thereon)

**The Givens Estates, Inc. and Subsidiaries**

Compilation of a Financial Projection

Five Years Ending December 31, 2028

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## Accountants' Compilation Report

The Board of Directors  
The Givens Estates, Inc. and Subsidiaries  
Asheville, North Carolina

Management of The Givens Estates, Inc. and Subsidiaries (the "Corporation") ("Management") is responsible for the accompanying financial projection of the Corporation, which comprises the consolidated projected balance sheets as of and for each of the five years ending December 31, 2028 and the related consolidated projected statements of operations, changes in net assets, and cash flows for each of the years then ending, and the related summaries of significant assumptions and rationale in accordance with guidelines for the presentation of a financial projection established by the American Institute of Certified Public Accountants ("AICPA").

The accompanying projection and this report were prepared to comply with the requirements of North Carolina General Statutes, Chapter 58, Article 64 and should not be used for any other purpose.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the financial projection nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by Management. Accordingly, we do not express an opinion, a conclusion, or provide any form of assurance on this financial projection. The projected results may not be achieved as there will usually be differences between the prospective and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

Furthermore, even if the following hypothetical assumptions occur during the projection period:

- the Corporation's newly constructed and yet to be constructed independent living units are successfully marketed and achieve and maintain projected occupancy levels; and
- construction, development, marketing, and other related costs for the new independent living units at Givens Highland Farms occur in the assumed timeline and at the assumed costs.

There will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

## FORVIS,LLP

Atlanta, Georgia  
May 28, 2024

## The Givens Estates, Inc. and Subsidiaries

### Projected Consolidated Statements of Operations For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Amortization of entrance fees	\$ 13,698	\$ 14,526	\$ 15,578	\$ 15,662	\$ 15,847
Residential revenue	35,407	38,412	40,452	41,675	43,244
Assisted living revenue	4,293	4,417	4,544	4,676	4,812
Long-term care revenue, net	16,903	17,170	17,545	17,930	18,334
Residential food service revenue	3,962	4,110	4,240	4,252	4,264
Givens Choice	376	688	1,006	1,269	1,572
Contributions and bequests	1,278	1,316	1,355	1,396	1,438
Net assets released from restrictions-operations	455	468	482	497	512
Other revenue	4,273	4,515	4,622	4,700	4,781
Investment income	2,205	2,810	3,168	3,553	3,969
<b>Total revenues, gains and other support</b>	<b>82,850</b>	<b>88,432</b>	<b>92,992</b>	<b>95,610</b>	<b>98,773</b>
<b>Expenses:</b>					
Administration	7,040	7,451	7,679	7,909	8,149
Assisted living	2,004	2,064	2,126	2,189	2,255
Long-term care	10,007	10,783	11,160	11,551	11,955
Home care	2,302	2,372	2,442	2,516	2,591
Maintenance	8,591	8,974	9,363	9,644	9,933
Dining services	8,406	9,308	9,638	9,927	10,226
Housekeeping	4,368	4,522	4,707	4,847	4,992
Laundry	139	143	147	151	155
Marketing	3,520	3,626	3,735	3,847	3,963
Resident services	2,908	2,994	3,083	3,174	3,269
Utilities	4,746	4,993	5,350	5,545	5,746
Outreach	1,483	1,530	1,579	1,630	1,683
Givens Choice	727	771	816	866	919
Bad debts	76	78	80	83	85
Insurance	877	917	945	973	1,003
Depreciation	9,692	10,143	10,150	9,734	8,683
Amortization of intangible assets	910	455	-	-	-
Interest	2,650	3,391	3,248	3,099	2,949
<b>Total expenses</b>	<b>70,446</b>	<b>74,515</b>	<b>76,249</b>	<b>77,685</b>	<b>78,555</b>
Operating income	12,404	13,917	16,743	17,925	20,218
Net assets released from restrictions-capital projects	550	40	40	40	40
Change in net assets without donor restrictions	\$ 12,954	\$ 13,957	\$ 16,783	\$ 17,965	\$ 20,258

**See accompanying Accountants' Compilation Report and Summary of Significant  
Projection Assumptions and Rationale**

**The Givens Estates, Inc. and Subsidiaries**

Projected Consolidated Statements of Changes in Net Assets  
For Each of the Five Years Ending December 31,  
(in thousands of dollars)

	2024	2025	2026	2027	2028
Net assets without donor restrictions:					
Operating income	\$ 12,404	\$ 13,917	\$ 16,743	\$ 17,925	\$ 20,218
Net assets released from restrictions-capital projects	550	40	40	40	40
Change in net assets without donor restrictions	12,954	13,957	16,783	17,965	20,258
Net assets with donor restrictions:					
Contributions	475	488	502	517	532
Net assets released from restrictions-operating	(455)	(468)	(482)	(497)	(512)
Net assets released from restrictions-capital	(300)	(20)	(20)	(20)	(20)
Change in net assets with donor restrictions	(280)	-	-	-	-
Change in net assets	12,674	13,957	16,783	17,965	20,258
Net assets, beginning of year	101,625	114,299	128,256	145,040	163,005
Net assets, end of year	\$ 114,299	\$ 128,256	\$ 145,040	\$ 163,005	\$ 183,262

**See accompanying Accountants' Compilation Report and Summary of Significant  
Projection Assumptions and Rationale**

## The Givens Estates, Inc. and Subsidiaries

### Projected Consolidated Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net assets	\$ 12,674	\$ 13,957	\$ 16,783	\$ 17,965	\$ 20,258
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Amortization of entrance fees	(13,698)	(14,526)	(15,578)	(15,662)	(15,847)
Depreciation	9,692	10,143	10,150	9,734	8,683
Amortization of intangible assets	910	455	-	-	-
Amortization of deferred financing costs	27	27	28	27	28
Amortization of original issue premium	(132)	(132)	(137)	(141)	(146)
Bad debts	76	78	80	83	85
Proceeds from entrance fees - routine turnover, non-refundable portion	13,604	14,344	14,694	15,663	16,053
Proceeds from entrance fees - Givens Choice, non-refundable portion	1,440	3,000	1,800	1,800	1,800
Net change in working capital:					
Change in receivables and prepaid expenses	5,090	(356)	(271)	(217)	(244)
Change in accounts payable, other accrued liabilities, and payroll accruals	(315)	(1,224)	608	457	478
<b>Net cash provided by operating activities</b>	<b>29,368</b>	<b>25,766</b>	<b>28,157</b>	<b>29,709</b>	<b>31,148</b>
<b>Cash flows from investing activities:</b>					
Capital additions	(37,025)	(11,441)	(2,526)	(2,527)	(2,527)
Change in investments	(26,923)	(20,427)	(15,839)	(16,913)	(17,758)
Operating reserve-Givens Estates	(1,679)	(570)	(327)	(334)	(348)
Operating reserve-Givens Highland Farms	(793)	(470)	(250)	(158)	(164)
Other funds	(3,761)	(212)	(219)	(227)	(239)
<b>Net cash used by investing activities</b>	<b>(70,181)</b>	<b>(33,120)</b>	<b>(19,161)</b>	<b>(20,159)</b>	<b>(21,036)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from entrance fees - routine turnover, refundable portion	3,833	3,927	4,024	4,291	4,399
Proceeds from initial entrance fees-Vista Ridge North	11,900	-	-	-	-
Proceeds from initial entrance fees-Vista Ridge South	-	15,003	-	-	-
Principal payments-Bank Loan	(442)	(470)	(499)	(529)	(562)
Principal payments-Gerber Bank Loan	(328)	(328)	(328)	(328)	(328)
Principal payments-Series 2017 Bonds	(3,160)	(3,240)	(3,330)	(3,410)	(3,505)
Refunds of entrance fees	(5,841)	(5,971)	(6,105)	(6,472)	(6,621)
<b>Net cash provided (used) by financing activities</b>	<b>5,962</b>	<b>8,921</b>	<b>(6,238)</b>	<b>(6,448)</b>	<b>(6,617)</b>
Change in cash, cash equivalents and restricted cash	(34,851)	1,567	2,758	3,102	3,495
Cash, cash equivalents and restricted cash, beginning of year	49,464	14,613	16,180	18,938	22,040
<b>Cash, cash equivalents and restricted cash, end of year</b>	<b>\$ 14,613</b>	<b>\$ 16,180</b>	<b>\$ 18,938</b>	<b>\$ 22,040</b>	<b>\$ 25,535</b>
Cash, cash equivalents and restricted cash reconciliation:					
Cash and cash equivalents	\$ 9,890	\$ 13,349	\$ 15,995	\$ 18,980	\$ 22,353
Assets limited as to use, current portion	2,723	2,831	2,943	3,060	3,182
Escrow deposits	2,000	-	-	-	-
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 14,613</b>	<b>\$ 16,180</b>	<b>\$ 18,938</b>	<b>\$ 22,040</b>	<b>\$ 25,535</b>

**See accompanying Accountants' Compilation Report and Summary of Significant  
Projection Assumptions and Rationale**

## The Givens Estates, Inc. and Subsidiaries

### Projected Consolidated Balance Sheets At December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 9,890	\$ 13,349	\$ 15,995	\$ 18,980	\$ 22,353
Assets limited as to use, current portion	2,723	2,831	2,943	3,060	3,182
Accounts receivable, net	3,079	3,280	3,421	3,509	3,621
Other receivables	772	789	798	807	817
Contributions receivable, current portion	25	25	25	25	25
Escrow deposits	2,000	-	-	-	-
Prepaid expenses and inventory	1,096	1,157	1,199	1,238	1,276
<b>Total current assets</b>	<b>19,585</b>	<b>21,431</b>	<b>24,381</b>	<b>27,619</b>	<b>31,274</b>
Non-current assets:					
Property and equipment, net	253,957	255,255	247,632	240,425	234,269
Goodwill, intangible assets	455	-	-	-	-
Investments	108,663	129,090	144,928	161,841	179,599
Operating reserve-Givens Estates	10,918	11,488	11,815	12,149	12,497
Operating reserve-Givens Highland Farms	5,038	5,508	5,758	5,916	6,080
Other	5,937	6,149	6,369	6,599	6,837
Contributions receivable, net of current portion	50	50	50	50	50
Other assets	592	592	592	592	592
Interest rate swap	235	235	235	235	235
<b>Total assets</b>	<b>\$ 405,430</b>	<b>\$ 429,798</b>	<b>\$ 441,760</b>	<b>\$ 455,426</b>	<b>\$ 471,433</b>
<b>Liabilities and Net Assets</b>					
Current liabilities:					
Accounts payable and other accrued liabilities	\$ 13,427	\$ 14,222	\$ 14,832	\$ 15,299	\$ 15,776
Interest payable	265	255	244	233	222
Agency funds	20	20	20	20	20
Escrow deposits	2,000	-	-	-	-
Resident refunds payable	5,971	6,105	6,472	6,621	6,896
Current portion of long-term debt	4,038	4,157	4,266	4,395	4,515
<b>Total current liabilities</b>	<b>25,721</b>	<b>24,759</b>	<b>25,834</b>	<b>26,568</b>	<b>27,429</b>
Long-term liabilities:					
Long-term debt, net of current portion and deferred financing cost	94,642	90,380	86,004	81,495	76,861
Refundable entrance fees, net of current portion	61,984	76,225	75,469	74,901	74,348
Deferred revenue from entrance fees	107,050	108,444	107,680	107,724	107,799
Advance admission deposits	1,734	1,734	1,734	1,734	1,734
<b>Total liabilities</b>	<b>291,131</b>	<b>301,542</b>	<b>296,721</b>	<b>292,422</b>	<b>288,171</b>
Net assets					
Without donor restrictions	102,763	116,720	133,504	151,469	171,726
With donor restrictions	11,536	11,536	11,536	11,536	11,536
<b>Total net assets</b>	<b>114,299</b>	<b>128,256</b>	<b>145,040</b>	<b>163,005</b>	<b>183,262</b>
<b>Total liabilities and net assets</b>	<b>\$ 405,430</b>	<b>\$ 429,798</b>	<b>\$ 441,760</b>	<b>\$ 455,426</b>	<b>\$ 471,433</b>

**See accompanying Accountants' Compilation Report and Summary of Significant  
Projection Assumptions and Rationale**

## The Givens Estates, Inc. and Subsidiaries

### Summary of Significant Projection Assumptions and Rationale

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#### **General**

The accompanying financial projection presents, to the best of the knowledge and belief of the management of The Givens Estates, Inc., and Subsidiaries (the “Corporation”) (“Management”) the expected financial position, results of operations, and cash flows of the Corporation as of and for each of the five years ending December 31, 2028. Accordingly, the accompanying projection reflects Management’s judgment as of May 28, 2024, the date of this report, of the expected conditions and its course of action during the projection period assuming that the hypothetical assumptions defined below occur. However, even if the hypothetical assumptions stated below were to occur, there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Management’s purpose in releasing this financial projection is for inclusion in the Corporation’s annual disclosure statement in accordance with Chapter 58, Article 64, of the North Carolina General Statutes. Accordingly, this report should not be used for any other purpose. The assumptions disclosed herein are those that Management believes are significant to the prospective financial statements.

**Basis of Presentation** – The prospective consolidated financial statements included in the projection have been prepared in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are described in the appropriate assumptions and notes to the prospective consolidated financial statements. The assumptions described are not all-inclusive.

**Hypothetical Assumptions** – A hypothetical assumption is an assumption used in a financial projection to present a condition or course of action that is not necessarily expected to occur, but is consistent with the purpose of the presentation. Hypothetical assumptions are not derived from sources, which are based upon supporting documentation such as contracts, agreements, or other empirical data. Management has prepared its financial projection assuming the following hypothetical assumptions:

- the Corporation’s newly constructed and yet to be constructed independent living units are successfully marketed and achieve and maintain projected occupancy levels; and
- construction, development, marketing, and other related costs for the new independent living units at Givens Highland Farms occur in the assumed timeline and at the assumed costs.

**Background of the Corporation** – The Givens Estates, Inc., a non-profit, North Carolina corporation; Givens Highland Farms, LLC, a non-profit, North Carolina limited liability corporation; Givens Gerber Park II, LLC, a non-profit, North Carolina limited liability corporation; Givens Choice, LLC, a non-profit, North Carolina limited liability corporation; and Life Ministries Outreach, LLC, a non-profit, North Carolina limited liability corporation, were formed to own, operate, and support senior housing and continuing care retirement communities (“CCRCs”) committed to providing care and services to seniors within the communities in which they serve.

**See Accountants’ Compilation Report**



**Principles of Consolidation** – The accompanying projected financial statements include the accounts of The Givens Estates, Inc., and its wholly owned subsidiaries: Givens Highland Farms, LLC (“Givens Highland Farms”); Life Ministries Outreach, LLC (“Life Ministries Outreach”); Givens Gerber Park II, LLC (“Givens Gerber Park II”), and Givens Choice, LLC (“Givens Choice” and collectively, the “Corporation”).

In 2023, Givens Choice was formed with Givens Estates, Inc. as the sole member. Givens Choice is a continuing care at home program provided to seniors in the Asheville, North Carolina area.

### **Related Parties**

The Corporation is an income beneficiary of the Marion Jackson Givens Trust, subject to the discretion of the trustee. Two board members are affiliated with the two law firms that serve as legal counsel for the Corporation.

The Corporation has funds invested with the United Methodist Foundation (“UMF”). The Chief Financial Officer of the Corporation serves on the UMF Investment Committee, and the Development Director of the Corporation serves on the board of the UMF.

During 2006, the Corporation was invited to work with the Southeastern Jurisdictional Administrative Council (“SEJAC”) and the Southeastern Methodist Association for Rehabilitation (“SEMAR”) in developing an affordable housing project for seniors in Haywood County. The project, the Great Laurels of Junaluska, is located on 6.3 acres across from the main entrance to Lake Junaluska Assembly and consists of 36 apartments funded through a grant from the HUD and 64 apartments funded primarily through tax credits. The project is owned by the Senior Residences of Lake Junaluska, LP which is owned 0.009% by Great Laurels, Inc. with the remaining ownership residing with limited partners who are not related to Givens Estates. During 2023, the limited partners of Senior Residences of Lake Junaluska, Inc. (“Senior Residences”) transferred their ownership interest to the Corporation. The Corporation uses the equity method of accounting to account for its interest in Senior Residences.

Givens Affordable Communities, Inc. (“GAC”) an affiliate of Givens Estates, manages and provides on-site employees for the Givens Gerber Park II and Givens Great Laurels Communities.

The Corporation is a member of Gerber Park of Asheville, LLC (49% interest). Gerber Park of Asheville, LLC is the managing member of Givens Gerber Park, LLC (.01% interest). The Corporation has entered into a lease with Givens Gerber Park, LLC, where the Corporation owns the land on which Givens Gerber Park, LLC is constructed. The Corporation leases this land to Givens Gerber Park, LLC for \$1 per year. This lease expires in 2065.

The Corporation is a managing member of Gerber Park of Asheville III, LLC (49% interest). Gerber Park of Asheville III, LLC is the managing member of Givens Gerber Park III, LLC (.01% interest). The Corporation has entered into a lease with Givens Gerber Park of Asheville III, LLC, where the Corporation owns the land on which Givens Gerber Park of Asheville III, LLC is constructed. The Corporation leases this land to Givens Gerber Park of Asheville III, LLC for \$1 per year. This lease expires in 2081.

**See Accountants’ Compilation Report**

**The Givens Estates**

The Corporation owns and operates a CCRC known as Givens Estates (“Givens Estates”) in Asheville, North Carolina. Givens Estates is licensed as a CCRC by the North Carolina Department of Insurance and is affiliated with the Western North Carolina Conference of the United Methodist Church.

Givens Estates is located on an approximately 215-acre campus and currently consists of 341 independent living apartment units, 23 independent living villa units (the “Villas”), 126 independent living houses, duplex and cottage units, a 43-unit assisted living facility, a 60-bed health care facility, related common spaces, and a wellness center. The following table summarizes Givens Estates’ unit configuration, entrance fees (“Entrance Fees”), monthly service fees (“Monthly Service Fees”), and assumed occupancy throughout the projection period:

<b>Type of Unit</b>	<b>Total Units</b>	<b>Occupancy Percentage</b>	<b>Entrance Fees- 0% Refundable Plan</b> <sup>(1)(2)(3)(4)</sup>	<b>Monthly Service Fees</b> <sup>(1)(2)</sup>
<i>Independent Living Units:</i>				
Apartments – Asbury Commons	52	94%	\$ 119,130	\$ 2,651
Apartments – Oxford Commons	137	97%	353,570	4,892
Apartments – Creekside	72	94%	437,360	5,048
Apartments – Friendship Park	80	98%	348,560	3,895
Villas	23	96%	138,865	2,955
Houses and Duplexes	67	98%	345,015	4,251
Cottages	59	92%	557,760	5,747
<b>Total / Weighted Average</b>	<b>490</b>	<b>96%</b>	<b>\$ 353,523</b>	<b>\$ 4,439</b>
Assisted Living Units	43	90%	\$ 5,000	\$ 7,444
Health Center beds	60	93%	N/A	12,842
<b>Total Units / Beds</b>	<b>593</b>	<b>95%</b>		

Source: Management

- (1) Entrance Fees and Monthly Service Fees indicated are the weighted averages of fees by unit type and are effective January 1, 2024.
- (2) The fees shown are for single residents and do not reflect the second person Entrance Fee of \$15,000 and the second person Monthly Service Fee that ranges by accommodation from \$938 to \$1,473.
- (3) Direct admit Residents of the Assisted Living Units pay a non-refundable refurbishment fee of \$5,000.
- (4) Management has assumed that approximately 98 percent of Residents would select the 0% Refundable Entrance Fee Plan, approximately one percent would select the 50 percent amortization plan and approximately one percent would select the 90 percent amortization plan.

**See Accountants’ Compilation Report**

**Givens Gerber Park II**

Management formed Givens Gerber Park II, LLC as a subsidiary of the Corporation to own and operate Givens Gerber Park II, consisting of 60 one-bedroom and 22 two-bedroom apartments. Residents of Givens Gerber Park II pay a non-refundable administrative fee ranging from approximately \$6,500 to \$15,000 and a Monthly Service Fee ranging from \$2,070 to \$2,974 on a sliding scale based on income. The following table summarizes the Givens Gerber Park II unit configuration, approximate square footages, and Monthly Service Fees.

**Table 2**  
**Givens Gerber Park II**  
**Unit Configuration**

<b>Type of Unit</b>	<b>Total Units</b>	<b>Square Footage</b>	<b>Monthly Service Fees<sup>(1)(2)</sup></b>
<i>Apartments:</i>			
One Bedroom	60	750	\$ 2,070 – \$2,757
Two Bedroom	22	1,100	\$ 2,270 – \$2,974
<b>Total/Weighted Average:</b>	<b>82</b>	<b>844</b>	<b>\$2,469</b>

Source: Management

(1) Monthly Service Fees and Entrance Fees presented are effective January 1, 2024.

(2) Second person Monthly Services Fees are \$311.

**See Accountants' Compilation Report**

**Givens Highland Farms**

Givens Highland Farms is located on 75 acres of land in Black Mountain, North Carolina and currently consists of 74 residential garden apartments, 153 cluster homes, condominium units, and free-standing homes, 25 independent-plus apartment units, and 55 skilled nursing beds. The following table summarizes Givens Highland Farms unit configuration, Entrance Fees, Monthly Service Fees, and assumed occupancy throughout the projection period:

<b>Type of Unit</b>	<b>Total Units</b>	<b>Occupancy Percentage</b>	<b>Entrance Fee- 0% Refundable Plan <sup>(1)(2)(3)</sup></b>	<b>Monthly Service Fees <sup>(1)(3)</sup></b>
<i>Independent Living Units:</i>				
Apartment – Garden <sup>(4)</sup>	74	100%	\$ 187,036	\$ 4,033
Apartment – Prentice Lodge	25	88%	120,054	4,527
Condominiums	32	97%	296,390	3,249
Cluster Homes	37	96%	262,470	2,770
Freestanding Homes	4	98%	396,970	2,934
Meadowmont	64	99%	354,598	3,104
Cottages	16	98%	414,945	4,764
<b>Total / weighted average</b>	<b>252</b>	<b>98%</b>	<b>\$ 265,715</b>	<b>\$ 3,590</b>
Skilled nursing beds	55	89%	N/A	\$ 11,585
<b>Total / weighted average</b>	<b>307</b>	<b>96%</b>		

Source: Management

- (1) The fees shown are for single residents and do not reflect the second person Entrance Fee of \$15,000 and the second person Monthly Service Fee that ranges by accommodation from \$884 to \$1,410.
- (2) Management has assumed that approximately 98 percent of Residents would select the 0% Refundable Entrance Fee Plan, approximately one percent would select the 50 percent amortization plan and approximately one percent would select the 90 percent amortization plan.
- (3) Entrance Fees and Monthly Service Fees shown are effective January 1, 2024.
- (4) Management is in the planning stage for a potential independent living project at Given Highland Farms, which would require the demolition of 24 garden apartments. Management assumes the available garden apartments to decrease to 68 during fiscal year 2025, 56 during fiscal year 2026, 50 during fiscal year 2027, and remain at 50 available units throughout the remainder of the projection period.

**See Accountants' Compilation Report**

*The Brookside Apartments, Vista Ridge North, and Vista Ridge South Project*

Management began construction of a multi-phase expansion project at Givens Highland Farms in March 2022 for the construction of 30 independent living apartments (the “Brookside Apartments”), 36 independent living cottages (“Vista Ridge North”), 33 independent living apartments (“Vista Ridge South”), and the renovation of the dining amenities (the “Dining Renovation”). The Dining Renovation began in March 2022 and was completed during fiscal year 2023. The Brookside Apartments were available for occupancy in November 2023 and achieved stabilized occupancy of 98 percent in December 2023. Vista Ridge North and Vista Ridge South are collectively defined as the “Givens Highland Farms Project.”

The following table summarizes the assumed timeline for construction and fill-up of Vista Ridge North and Vista Ridge South.

**Table 4**  
**Given Highland Farms Project**  
**Vista Ridge North and Vista Ridge South**  
**Assumed Construction and Fill-Up Timeline**

<b>Event</b>	<b>Vista Ridge North</b>	<b>Vista Ridge South <sup>(1)</sup></b>
Construction commencement	November 2022	April 2024
Complete construction	June 2024	July 2025
Available for occupancy / utilization	July 2024	August 2025
Achieve stabilized occupancy of 98%	September 2024	October 2025

Source: Management

(1) The Vista Ridge South Project included the demolition of an existing building in February 2024.

**See Accountants’ Compilation Report**

The following table summarizes the Brookside Apartments and Vista Ridge North unit configuration, approximate square footages, Entrance Fees, and Monthly Service Fees.

**Table 5**  
**The Brookside Apartments and Vista Ridge North –**  
**Unit Configuration, Entrance Fees, and Monthly Service Fees**

<b>Type of Unit</b>	<b>Total Units</b>	<b>Square Footage</b>	<b>Entrance Fees- Traditional Amortization Plan<sup>(1)(2)(3)</sup></b>	<b>Monthly Service Fees<sup>(1)</sup></b>
<i>The Brookside Apartments:</i>				
One Bedroom	2	753	\$ 273,000	\$ 3,560
One Bedroom Plus	3	843	307,000	3,726
One Bedroom Expanded	2	877	319,000	3,793
One Bedroom with Den	7	933	346,000	3,926
One Bedroom with Den Expanded	3	1,024	381,000	4,124
Two Bedroom	2	1,186	443,000	4,324
Two Bedroom Expanded	6	1,270	479,000	4,424
Two Bedroom with Den	5	1,380	529,000	4,523
<b>Total/Weighted Average</b>	<b>30</b>	<b>1,076</b>	<b>\$ 402,500</b>	<b>\$ 4,118</b>
<i>The Vista Ridge North Cottages:</i>				
One Bedroom	4	843	\$ 283,000	\$ 3,726
One Bedroom with Den	8	933	318,000	3,926
One bedroom with Den Expanded	8	1,024	351,000	4,124
Two Bedroom	4	1,186	408,000	4,324
Two Bedroom Split Suite	8	1,270	440,000	4,424
Two Bedroom with Den Expanded	4	1,464	516,000	4,624
<b>Total/Weighted Average</b>	<b>36</b>	<b>1,105</b>	<b>\$ 380,556</b>	<b>\$ 4180</b>
<b>Total/Weighted Average</b>	<b>66</b>	<b>1,092</b>	<b>\$ 390,530</b>	<b>\$ 4152</b>

Source: Management

- (1) Monthly Service Fees and Entrance Fees are stated in 2024 dollars.
- (2) The second person Monthly Service Fee and second person Entrance Fee is \$884 and \$15,000, respectively.
- (3) For purposes of the projection, Management assumes new Residents of the Brookside Apartments and the Vista Ridge North cottages shall select the traditional plan.

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The following table summarizes the assumed Vista Ridge South unit configuration, approximate square footages, Entrance Fees, and Monthly Service Fees.

**Table 6**  
**Givens Highland Farms Project**  
**Vista Ridge South –**  
**Unit Configuration, Entrance Fees, and Monthly Service Fees**

<b>Type of Unit</b>	<b>Total Units</b>	<b>Square Footage</b>	<b>Entrance Fees- Traditional Amortization Plan<sup>(1)(2)(3)</sup></b>	<b>Monthly Service Fees<sup>(1)</sup></b>
<i>Vista Ridge South Apartments:</i>				
One Bedroom with Den	3	940	\$ 338,353	\$ 3,951
Two Bedroom	5	1,187	438,550	4,329
Two Bedroom Split Suite	12	1,188	438,550	4,329
Two Bedroom Split Suite Expanded	6	1,272	472,484	4,433
Two Bedroom Expanded	2	1,272	472,484	4,433
Two Bedroom with Den Expanded	5	1,455	550,499	4,595
<b>Total/Weighted Average</b>	<b>33</b>	<b>1,226</b>	<b>\$ 454,630</b>	<b>\$ 4,360</b>

Source: Management

- (1) Monthly Service Fees and Entrance Fees are stated in 2024 dollars.
- (2) The second person Monthly Service Fee and second person Entrance Fee is \$884 and \$15,000, respectively.
- (3) For purposes of the projection, Management assumes new Residents the Vista Ridge South apartments shall select the traditional plan.

**Residency and Services Agreement – Givens Estates and Givens Highland Farms**

Prior to taking occupancy of a selected Independent Living Unit at Givens Estates or Givens Highland Farms, a prospective resident shall execute a residency and services agreement (the “Residency and Services Agreement”). The terms of the Residency and Services Agreement require the Corporation accepts persons at least 55 years of age at the time of occupancy, who demonstrate the ability to live independently, and meet the financial obligations as a resident of Givens Estates or Givens Highland Farms (“Resident”).

Payment of the Entrance Fee and a Monthly Service Fee entitles the Resident to occupy the selected Independent Living Unit at Givens Estates or Givens Highland Farms and to receive the following services and amenities:

- Utilities, including telephone, cable, and internet services;
- Declining balance meal plan;
- Weekly housekeeping services;
- Interior unit and appliance maintenance;
- Maintenance of common area and the grounds;
- Use of common areas and wellness center;
- Uncovered parking;
- Scheduled transportation;
- 24-hour emergency response system; and
- Priority access to health care.

In addition to items included in the Monthly Service Fee, certain services are available to Residents at an additional cost. Optional services, including guest rooms, beauty and barber services, home care services, personal laundry or dry cleaning, special transportation, catering, guest meals, repairs of personal property, are available for an extra charge.

*Termination by the Resident Prior to Occupancy*

The Resident may cancel at any time and for any reason during the 30-day rescission period as defined in the Residency and Services Agreement (the “Rescission Period”) and shall receive a refund of any fees paid less a service charge. After the Rescission Period, the Resident may terminate the Residency and Services Agreement prior to moving into Givens Estates or Givens Highland Farms for any reason at any time before moving into Givens Estates or Givens Highland Farms by giving prior written notice. Under this circumstance, the Resident shall receive a refund of the 10% deposit, less a nonrefundable fee equal to the greater of one thousand dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee after the Rescission Period.



*Termination by the Resident After Occupancy*

The Resident may terminate the Residency and Services Agreement after moving into Givens Estates or Givens Highland Farms by giving prior written notice of termination, which shall be effective and irrevocable upon delivery. If the Resident terminates the Residency and Services Agreement during the Rescission Period, but after occupancy, the Resident shall be liable for a service charge equal to the greater of one thousand dollars (\$1,000) or two percent (2%) of the total amount of the Entrance Fee. If the Resident terminates after the Rescission Period, they will receive a refund less i) periodic charges applicable only to the period the Resident actually occupied the Independent Living Unit; (ii) nonstandard costs incurred at the Resident's request, and (iii) nonrefundable Entrance Fees.

The Residency and Services Agreement shall automatically terminate upon death of the Resident (unless there is a surviving joint Resident).

*Termination by the Corporation*

The Corporation may terminate the Residency and Services Agreement for just cause to include: (i) breach of agreement; (ii) misrepresenting information in the admission process; (iii) failure to pay any charges; or (iv) violation of any reasonable procedures at Givens Estates or Givens Highland Farms.

Residents may reside in an Independent Living Unit for as long as he or she is capable of meeting the requirements of occupancy, in the opinion of the Corporation, after consultation with the Resident, the Resident's attending physician and/or the Corporation's appointed medical director. If the Resident is no longer able to meet the requirements of residing in the Independent Living Unit, higher levels of health care are provided in assisted living and skilled nursing.

*Services Provided for the Assisted Living Beds*

Residents of the assisted living beds receive three meals per day; assisted living and care services in accordance with the Resident's written plan of care; laundering of linens and bedding; housekeeping and maintenance; utilities, emergency call service; daily observation of Resident's general health, safety, physical and emotional well-being; scheduled transportation; social services; and planned recreational activities. The Resident is required to pay any additional charges for additional services and supplies that are not covered in the applicable base fees.

*Services Provided for the Skilled Nursing Beds*

Residents of the skilled nursing beds receive three meals per day; nursing care, personal care, or custodial care services in accordance with the Resident's written plan of care; laundered linens and bedding; housekeeping and maintenance; social services; and planned recreational activities. The Resident is required to pay any additional charges for services that are not covered in the applicable base fees for the skilled nursing beds.

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*Givens Gerber Park II*

Residents of Givens Gerber Park II pay a monthly rental fee based on the HUD Median Household Income for the Asheville Metro Area. All Givens Gerber Park II households shall complete an annual form to self-certify their current income and asset amounts. The following services are included in the Monthly Service Fee:

- laminate flooring in the kitchen, living room and hallway; carpeting in the bedroom(s); vinyl flooring in the bath(s); refrigerator with ice maker; stove; oven; microwave; hood vent; washer and dryer; and prewiring for telephone, cable TV and internet.
- common areas and amenities including a café, computers, library, fitness center, mailboxes, multi-purpose rooms, lounges, activity areas, beauty/barber shop, screened porch, gazebos, and raised garden beds.
- one lighted parking space per apartment.
- heating, air conditioning, electricity, water, sewer, trash removal, standard municipal services, basic cable television, high speed internet, and telephone services. Basic cable television service includes boxes for two televisions. Upgraded services are available at a cost to the Resident.
- a dining credit equal to \$152.00 (“Café Dollars”) for use in the Givens Gerber Park café.
- all groundskeeping services, including lawn, tree, and shrubbery care.
- maintain and repair improvements, furnishings, appliances, and equipment owned by the Corporation.
- smoke and carbon monoxide detectors in each residence, a fire alarm system, and an emergency call system.
- scheduled social, recreational, and health programs designed to meet residents’ interests.

Other services and programs may be available at an additional expense, e.g., beauty salon services, repairs of personal property, and other special services from time to time.

**Membership Services Agreement – Givens Choice***Givens Choice*

Givens Choice is a continuing care at home program owned and operated by the Corporation. Givens Choice began accepting members in March 2023. Givens Choice is designed to provide an option for seniors to age in their homes and access facility-based health care services as needed. All members of the Givens Choice program (“Members”) receive care coordination, a home inspection during the first year of membership and home- and facility-based services. Home-based services include home care, homemaker services, companion services, an emergency response system, adult day care, transportation, meals as necessary and referrals for additional services. Facility-based services include assisted living, memory care and nursing services. Members also have limited access to the facilities and programs at Givens Estates and Givens Highland Farms.

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Members pay an initial fee and an ongoing monthly fee that is determined by the membership plan selected by the Member.

Prior to becoming a Member of the Givens Choice program, a prospective Member shall execute a membership services agreement (the “Membership Agreement”). The terms of the Membership Agreement require Members to be at least 60 years of age and maintain medical insurance. The Corporation encourages Members to complete an annual exam with a medical doctor.

Payment of the membership fee and a monthly fee entitles the Member to the following home-based services provided by the Givens Choice program:

- Care coordination;
- Personal wellness plan development;
- Biennial home inspection;
- Social and education activities;
- Home care aides;
- Companion/homemaker service;
- Delivered meals;
- Adult day care;
- Emergency response system;
- Annual physical exam; and
- Transportation.

Payment of the membership fee and a monthly fee entitles the Member to the following facility-based services provided at Givens Estates:

- Assisted living care in a private room;
- Memory support care in a semi-private room; and
- Skilled nursing care in a semi-private room.

Members can select from three levels of membership – Platinum, Gold and Silver. All three plans cover 100% of the cost of care coordination, personal wellness plan development, biennial home inspection, social and educational activities, emergency response system, annual physical exam, and transportation. The Gold and Silver plan require a 20 percent and a 50 percent co-pay, respectively, for all other services provided by the Givens Choice program.

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*Termination During the Rescission Period*

The Membership Agreement may be terminated by the Member by giving written notice within seven days of the date of execution (the “Rescission Period”) for a full refund of the membership fee.

*Termination After the Rescission Period*

After the Rescission Period, the Membership Agreement may be terminated by the Member by giving at least 30 days written notice. Any refund of the membership fee will be provided based on the care received by the Member. In the first 90 days of membership (the “Adjustment Period”), the initial fee will be refunded less the actual cost incurred by the Corporation to maintain the Member’s care in assisted living, memory care or skilled nursing.

After the Adjustment Period, the refund of the initial fee will be calculated as follows:

- A two percent decrease for each month of home-based services;
- A three percent decrease for each month spent in assisted living or memory care; and
- A four percent decrease for each month spent in skilled nursing care.

Any refund of the initial fee will be refunded to the Member within 60 days of the request to terminate the Membership Agreement. If the Member becomes a permanent resident of assisted living, memory care and/or skilled nursing, no refund of the initial fee will be paid to the Member.

**Summary of Significant Accounting Policies**

**Basis of Accounting** – The Corporation maintains its accounting and financial records according to the accrual basis of accounting.

**Use of Estimates** – The preparation of prospective financial statements in accordance with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the amounts reported in the prospective financial statements and accompanying notes. Actual results could differ from those estimates.

**Cash and Cash Equivalents** – Cash and cash equivalents includes cash on hand, amounts on deposit in banks and highly liquid debt instruments with a maturity of 90 days or less when purchased, excluding amounts whose use is limited.

**Restricted Cash** – The Corporation has adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU” No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. Amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end of period total amounts shown on the projected consolidated statements of cash flows.

**Assets Limited as to Use** – These assets include assets set aside by the Board of Directors (the “Board”) to provide supplemental assistance to residents for payment of the residents’ initial contribution and monthly rentals for the life occupancy residential complex, over which the Board retains control and may at its discretion subsequently use for other purposes. Assets limited as to use also include amounts held by a trustee that are limited as to use in accordance with the bond order and resident funds.

North Carolina General Statute Section 58-64-33 requires CCRCs to maintain an operating reserve equal to 50 percent of the total operating expenses (adjusted for non-cash items) in a given year, or 25 percent of such total operating expenses (adjusted for non-cash items) if independent and assisted living occupancy exceeds 90 percent.

**Accounts Receivable** – Accounts receivable arise from the sale of residential and healthcare services and products, for which the Corporation grants credit on an unsecured basis. Accounts are considered past due after 30 days. The Corporation estimates allowance for doubtful accounts by evaluating the collectability of accounts greater than 120 days past due using historical collection information as well as reasonable forecasts to estimate expected credit losses. Once a charge has been determined to be uncollectible, it is charged-off.

**Contributions Receivable** – Contributions receivable include unconditional promises of cash, charitable remainder unitrusts, and charitable gift annuities. The charitable remainder unitrusts and charitable gift annuities are held in trust by another organization. Upon the death of the donors, the remaining investment will be transferred to the Corporation. The balance is net of projected allowances for doubtful accounts and discounts for present value.

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**Investments** – Investments include cash and cash equivalents, common stock, comingled funds, corporate and government bonds, government securities, money market funds and a fixed income fund. Investments in equity securities with readily determinable fair value and all investments in debt securities are measured at fair value based on quoted market prices in the consolidate balance sheet. For purposes of the projection, Management has not projected realized or unrealized gains or losses on investments.

**Property and Equipment** – Property and equipment is stated at cost or at fair value at date of donation. The Corporation capitalizes all assets over \$1,000 and depreciates them using the straight-line method over their estimated useful lives as follows:

Land improvements	10 – 20 years
Buildings	40 years
Furniture and equipment	5 – 10 years
Vehicles	3 – 5 years

Expenditures for repairs and maintenance are charged to expenses as incurred. The costs of major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon disposition of equipment, the asset and related accumulated depreciation accounts are relieved, and any related gain or loss is credited or charged to non-operating gains or losses. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Buildings for Givens Highland Farms include condominiums, cluster homes (which are groups of individual residences connected by adjoining walls), houses (collectively referred to as “housing units”), and rental property. Givens Highland Farms’ contracts with the residents provide that either upon death or at the resident’s option, Givens Highland Farms has the option to purchase; and the resident or his estate must sell the housing unit at a specified price. It is the intention of Givens Highland Farms to always choose the option to repurchase the housing units and once repurchased to not resale them. The repurchase price (the “Repurchase Obligation”) is 94% of the resident’s original purchase price, reduced 3% per year for each year beyond the first year that the resident occupies the unit. The minimum repurchase price after seven years of occupancy is 76% of the original purchase price. There are currently 21 housing units remaining to be repurchased by Givens Highland Farms.

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**Intangible Asset** – In connection with the recording of the assets and liabilities as part of the purchase of Highland Farms, intangibles of \$15,440,665 were recorded with this transaction. Givens Highland Farms obtained approximately \$14,800,000 of deferred revenue and refundable entrance fee contracts. The projected net future cash flows to be generated from these resident contracts are recorded as an intangible asset and are being amortized over the average life expectancy of those residents, or approximately 8 years. The remainder has been recorded as goodwill. In 2020, the Corporation began amortizing goodwill over the average life expectancy of those residents whose contracts the goodwill was based, or approximately 6.5 years. The intangible asset is assumed to be fully amortized in 2025.

**Deferred Costs** – Deferred financing costs associated with the issuance of debt is capitalized and amortized over the expected life of the debt instrument using the effective interest method. The debt issuance costs are netted against the related debt on the consolidated projected balance sheet and the amortization is included in interest expense on the consolidated projected statement of operations.

**Resident Refunds Payable** – Resident refunds payable include estimated Entrance Fee refunds due to Residents that have the 50 percent, 75 percent, or 90 percent refundable contracts. The Corporation's contract stipulates that the Entrance Fee is refundable within two years of vacancy or when a replacement occupant has been secured, whichever is sooner. Refunds are made within 30 days for Givens Highland Farms apartment contracts and within 120 days for Givens Highland Farms cluster homes, condominium units or free-standing homes signed before December 1, 2012. Based on historical experience, the estimated amount of the Resident refunds that are expected to be refunded in a subsequent year are classified as a current liability on the consolidated projected balance sheet.

**Deferred Revenue from Entrance Fees** – In exchange for an Entrance Fee, residents are granted a lifetime occupancy interest in the residential unit. The Entrance Fee will vary due to the size of the residence and the contract option selected by the Resident. The nonrefundable portion of the Entrance Fee paid by a Resident upon entering into a lifetime occupancy contract is recorded as deferred revenue. In 2008, Givens Estates began offering three types of contracts: a 90 percent refundable option, under which the refund declines to 90 percent over a three-month period; a zero percent refund option, under which the refund declines to zero percent over a four-year period; and a 50 percent refundable option, under which the refund declines to 50 percent over a two-year period.

In 2017, Givens Highland Farms began offering three types of contracts: a 90 percent refundable option, under which the refund declines to 90 percent over a three-month period; a zero percent refund option, under which the refund declines to zero percent over a four-year period; and a 50 percent refundable option, under which the refund declines to 50 percent over a two-year period. Prior to 2017, Givens Highland Farms offered two types of contracts for the apartments and the lodge: a 50 percent refundable option, with the refund declining to 50 percent over a 23-month period; or a zero percent refund option, with the refund declining to zero percent over a 46-month period. In 2014, Givens Highland Farms began offering a 75 percent refundable contract option

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for the cluster homes, condominiums and homes with the refund declining to 75 percent over an 11-month period. In addition, the initial contracts for the Meadowmont homes and the Cottages are 75% refundable contracts.

The nonrefundable portion of the Givens Highland Farms Repurchase Obligation that is not required to be paid back to the resident (of original purchase price) is recorded as part of deferred revenue from Entrance Fees. Revenue is recognized each year to the extent that Givens Highland Farms' repurchase obligation is reduced over the estimated average life expectancy of the resident. The non-refundable portion of deferred revenue is amortized to income using the straight-line method over the estimated remaining life expectancy of the resident, adjusted annually.

Continuing-Care Contracts – The Corporation enters into continuing-care contracts with various residents. A continuing-care contract is an agreement between a resident and the Corporation specifying the services and facilities to be provided to a resident over his or her remaining life. Under the contracts, the Corporation has the ability to increase fees as deemed necessary. No obligation for future costs associated with these contracts has been provided by the Corporation because Management believes that future cash inflows will be sufficient to cover such costs.

Advance Admission Deposits – For existing units, the Corporation collects an initial deposit on unoccupied units. Once the unit becomes occupied, these fees are transferred to deferred revenue.

Net Assets – The Corporation reports its net assets using the following classes; net assets without donor restrictions and net assets with donor restrictions depending on the presence and type of donor-imposed restrictions limiting the Corporation's ability to use or dispose of specific contributed assets or the economic benefits embodied in those assets. Net assets without donor restrictions include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by Board designation. Net assets with donor restrictions are those net assets whose use by the Corporation has been limited by donors (a) to later periods of time or after specified dates or (b) to specified purposes.

Contributions and Donor-Imposed Restrictions – All contributions are considered to be available without restrictions unless specifically restricted by the donor. The Corporation reports gifts of cash and other assets as restricted contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of operations as net assets released from restriction.

Concentration of Credit Risk – Financial instruments that potentially subject the Corporation to concentration of credit risk consist principally of cash, accounts receivable and investments. The Corporation maintains its cash in bank accounts which, at times, may exceed federally depository insurance (FDIC) limits. Management believes the credit risk associated with these deposits is minimal.

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**Long-Term Care and Assisted Living Revenue** – Long-term care and assisted living revenue represents the estimated net realizable amounts from residents, third-party payors, and others for services rendered while in the long-term care or assisted living units. It also includes estimated retroactive revenue adjustments due to future audits, review, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. Historically such adjustments for the Corporation have been immaterial in relation to the financial statements taken as a whole. Revenues under third-party payor agreements are subject to examination and retroactive adjustment. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Differences between the amounts accrued and subsequent settlements are recorded in operations in the year of settlement.

**Residential Revenue** – In addition to the amortization of deferred revenue as described above, the residents are also subject to a continuing Monthly Service Fee, which varies with the type of unit and with the level of health care the resident receives. The Monthly Service Fee can be changed from time to time, as deemed necessary by the Corporation, with 30 days written notice to residents.

**Income Taxes** – The Corporation is exempt from federal income taxes under Section 501c(3) of the Internal Revenue Code; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. For purposes of the projection, the Corporation has assumed no material unrecognized tax benefits or obligations during the projection period.

**Benevolent Assistance** – The Corporation has a policy of providing benevolent assistance to residents who are unable to pay the full cost of care and services. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis. Since the Corporation does not expect to collect the normal charges for services provided, charges for benevolent assistance are not included in revenue.

**Revenue Recognition** – The Corporation generates revenues, primarily by providing housing and health services to its residents. The following streams of revenue are recognized as follows:

*Monthly Service Fees* – The contracts that Residents select require an Entrance Fee and Monthly Service Fees based upon the type of accommodation with which the Residents are applying. Resident fee revenue for recurring and routine monthly services is generally billed monthly in advance. Payment terms are usually due within 30 days. The services provided encompass social, recreational, dining along with other services and these performance obligations are earned each month. Under Accounting Standards Codification (“ASC”) Topic 606, Management has determined that the performance obligation for the standing obligation to provide the appropriate services is the predominate component and does not contain a lease component under ASC Topic 842. Resident fee revenue for non-routine or additional services are billed monthly in arrears and recognized when the service is provided.

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*Entrance Fees* – Non-refundable Entrance Fees are recognized as deferred revenue upon receipt of the payment and included in liabilities in the consolidated balance sheets until the performance obligations are satisfied. The refundable portion of an Entrance Fee is not considered part of the transaction price and as such is recorded as a liability in the consolidated balance sheets. Additionally, Management has determined the contracts do not contain a significant financing component as the advanced payment assures Residents access to services in the future. These deferred amounts are then amortized on a straight-line basis into revenue on a monthly basis over the life of the Resident as the performance obligation is the material right associated with access to future services as described in FASB ASC 606-10-55 paragraph 42 and 51.

*Health care services* – The Corporation provides assisted and nursing care to Residents that are covered by government and commercial payers. Otherwise, these Residents pay a per diem rate that is generally billed monthly in advance. The Corporation is paid fixed daily rates from government and commercial payers. The per diem daily rates and other fees billed to government and commercial payers are billed in arrears monthly. The monthly fees and daily fees represent the most likely amount to be received from the 3rd party payors. Most rates are predetermined from Medicare and Medicaid.

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**Summary of Significant Consolidated Statement of Operations Assumptions**

**Residential Revenue** – Management assumes residential revenues at Givens Estates and Givens Highland Farms to increase approximately 3.7 percent annually and residential revenues at Gerber Park II to increase approximately 3.5 percent annually throughout the projection period.

**Long-Term Care and Assisted Living Revenue** – Management assumes long-term care revenue and assisted living revenues at Givens Estates to increase approximately 3.4 percent annually.

**Member Revenue** – Management assumes member revenues at Givens Choice to increase approximately 4.0 percent annually throughout the projection period.

**Operating Expenses** – Management assumes operating expenses at Givens Estates, Givens Highland Farms, and Givens Gerber Park II to increase approximately 3.0 percent annually and 6.0 percent annually at Givens Choice.

**Earnings on Investments, Debt Service Fund, Operating Reserve and Excess Cash** – Earnings on investments, operating reserve, and excess cash available are assumed to be approximately 2.0 percent throughout the projection period.

**Contributions and Bequests** – Management assumes contributions and bequests without donor restrictions to Givens Estates, Gerber Park II, and Life Ministries Outreach to increase approximately 3.0 percent annually throughout the projection period.

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**Summary of Significant Consolidated Balance Sheet Assumptions**

**Current Assets and Current Liabilities** – Operating revenue, as used below, includes long-term care revenue, residential revenue, assisted living revenue and residential food service revenue. Operating expenses exclude amortization, depreciation, and interest expense. Management has assumed the following working capital components based on the Corporation’s historical trends:

Accounts receivable, net	19	days of resident revenues
Other receivables	64	days of resident revenues
Prepaid expenses and inventory	7	days of operating expenses
Accounts payable	74	days of operating expenses
Other accrued liabilities	12	days of operating expenses

Source: Management

**Assets Limited as to Use** – Management assumes assets limited as to use, other than the Givens Estates and Given-Highland Farms statutory operating reserves, to be as follows during the projection period:

	2024	2025	2026	2027	2028
Board designated:					
Assistance endowment <sup>(1)</sup>	\$ 7,999	\$ 8,319	\$ 8,651	\$ 8,998	\$ 9,358
Agency funds	20	20	20	20	20
Assistance endowment <sup>(2)</sup>	641	641	641	641	641
Total – other funds	8,660	8,980	9,312	9,659	10,019
Less current portion	(2,723)	(2,831)	(2,943)	(3,060)	(3,182)
Assets limited as to use,					
Less current portion – other funds	\$ 5,937	\$ 6,149	\$ 6,369	\$ 6,599	\$ 6,837

Source: Management

(1) Assistance endowment funds for Givens Estates.

(2) Assistance endowment funds for Givens Highland Farms.

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Management assumes the statutory operating reserve requirement to be 25 percent of each year's operating expenses (adjusted for non-cash items) based on an assumed independent and assisted living occupancy rate in excess of ninety percent (90%) throughout the projection period.

**Property and Equipment** – Management assumes disposal of property and equipment and capital additions as follows:

	2024	2025	2026	2027	2028
Beginning balance, gross	\$ 319,977	\$ 357,002	\$ 368,443	\$ 370,969	\$ 373,496
Capital additions–GHF Project <sup>(1)</sup>	33,000	9,415	–	–	–
Routine Capital additions	4,025	2,026	2,526	2,527	2,527
Total capital costs	357,002	368,443	370,969	373,496	376,023
Less accumulated depreciation	(103,045)	(113,188)	(123,337)	(133,071)	(141,754)
Property and equipment, net	\$ 253,957	\$ 255,255	\$ 247,632	\$ 240,425	\$ 234,269

Source: Management

(1) Includes interest costs capitalized during construction.

**Long-Term Debt** – Management assumes long-term debt to consist of the following:

<b>Balances on December 31,</b>	2024	2025	2026	2027	2028
Bank Loan	\$ 9,517	\$ 9,018	\$ 8,489	\$ 7,927	\$ 7,330
Gerber Bank Loan	5,601	5,273	4,945	4,617	4,289
Series 2017 Bonds <sup>(1)</sup>	30,577	27,362	24,057	20,672	17,192
Series 2021 Bonds <sup>(2)</sup>	52,985	52,883	52,779	52,674	52,565
Long-term debt	98,680	94,537	90,270	85,890	81,376
Less current portion	(4,038)	(4,157)	(4,266)	(4,395)	(4,515)
Long-term debt, net	\$ 94,642	\$ 90,380	\$ 86,004	\$ 81,495	\$ 76,861

Source: Management

(1) Includes deferred financing cost, net of amortization.

(2) Includes original issue premium and deferred financing costs, net of amortization.

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*Bank Loan*

On December 1, 2012, the Corporation purchased the assets of Highland Farms, Inc. and Mirafel, LLC, a taxable entity. The purchase and capital additions have been financed with proceeds from a bank loan (the “Bank Loan”). The Bank Loan has a 30-year amortization with a variable rate of 1.2 percent over the term SOFR for a one-month tenor which matures November 2029. For purposes of the projection, the interest rate is assumed to be 6 percent. As of December 31, 2023, the balance of the Bank Loan was approximately \$9,987,000. The following table shows the assumed principal and interest payments for the Bank Loan:

**Table 11**  
**Bank Loan Schedule of Principal and Interest Payments**  
**(in thousands of dollars)**

Year Ending December 31,	Principal	Interest	Total Payments
2024	\$ 470	\$ 586	\$ 1,056
2025	499	557	1,056
2026	529	527	1,056
2027	562	494	1,056
2028	597	459	1,056
Thereafter	7,330	2,174	9,504
<b>Total</b>	<b>\$ 9,987</b>	<b>\$ 4,797</b>	<b>\$ 14,784</b>

Source: Management

*Gerber Bank Loan*

Construction costs for Givens Gerber Park II were funded with a bank loan (the “Gerber Bank Loan”), which commenced in April 2018. The Gerber Bank Loan was converted from a construction loan to permanent debt effective April 2018 with a swap, with a fixed interest rate of 3.88 percent per annum. As of December 31, 2023, the balance of the Gerber Bank Loan was approximately \$5,929,000. The following table shows the assumed principal and interest payments for the Gerber Bank Loan:

**See Accountants’ Compilation Report**

**Table 12**  
**Gerber II Bank Loan Schedule of Principal and Interest Payments**  
**(in thousands of dollars)**

Year Ending December 31,	Principal	Interest	Total Payments
2024	\$ 328	\$ 224	\$ 552
2025	328	211	539
2026	328	198	526
2027	328	185	513
2028	328	173	501
Thereafter	4,289	1,083	5,372
<b>Total</b>	<b>\$ 5,929</b>	<b>\$ 2,074</b>	<b>\$ 8,003</b>

Source: Management

*Series 2017 Bonds*

In April 2017, \$52,980,000 of Public Finance Authority Retirement Facilities Revenue Refunding Bonds Series 2017 (the "Series 2017 Bonds") were issued. Interest on the Series 2017 Bonds is payable monthly at 2.84 percent with a final maturity on July 1, 2033. As of December 31, 2023, the balance of the Series 2017 Bonds was approximately \$33,910,000. The following table shows the assumed principal and interest payments for the Series 2017 Bonds:

**Table 13**  
**Series 2017 Bonds Schedule of Principal and Interest Payments**  
**(in thousands of dollars)**

Year Ending December 31,	Principal	Interest	Total Payments
2024	\$ 3,160	\$ 930	\$ 4,090
2025	3,240	835	4,075
2026	3,330	740	4,070
2027	3,410	643	4,053
2028	3,505	545	4,050
Thereafter	17,265	1,141	18,406
<b>Total</b>	<b>\$ 33,910</b>	<b>\$ 4,834</b>	<b>\$ 38,744</b>

Source: Management

See Accountants' Compilation Report

*Series 2021 Bonds*

Construction costs for the Givens Highland Farms Project was funded with \$48,620,000 of Public Finance Authority Retirement Facilities Revenue Bonds Series 2021 (the “Series 2021 Bonds”). Interest on the Series 2021 Bonds is payable at 4.0 percent per annum. Principal is payable annually, commencing on December 1, 2034 with a final maturity on December 1, 2056. As of December 31, 2023, the balance of the Series 2021 Bonds was approximately \$48,620,000. The following table shows the assumed principal and interest payments for the Series 2021 Bonds:

**Table 14**  
**Series 2021 Bonds Schedule of Principal and Interest Payments**  
**(in thousands of dollars)**

Year Ending December 31,	Principal	Interest	Total Payments
2024	\$ —	\$ 1,811	\$ 1,811
2025	—	1,807	1,807
2026	—	1,802	1,802
2027	—	1,798	1,798
2028	—	1,792	1,792
Thereafter	48,620	34,719	83,339
<b>Total</b>	<b>\$ 48,620</b>	<b>\$ 43,729</b>	<b>\$ 92,349</b>

Source: Management

**See Accountants' Compilation Report**



**Deferred Revenue from Entrance Fees** – Management assumes that Entrance Fees will increase approximately 3.0 percent annually depending on unit type.

The assumed turnover of the independent living units for Givens Estates, Givens Highland Farms and Givens Gerber Park II and initial Entrance Fees received for the Vista Ridge North cottages and the Vista Ridge South apartments are presented in the following table:

<b>Year Ending December 31,</b>	<b>Vista Ridge North Initial Entrance Fees</b>	<b>Vista Ridge South Initial Entrance Fees</b>	<b>Attrition Entrance Fees</b>	<b>Total</b>
2024	36	–	64	100
2025	–	33	64	97
2026	–	–	64	64
2027	–	–	66	66
2028	–	–	66	66

Source: Management

**See Accountants' Compilation Report**



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## ACCOUNTANTS' REPORT ON SUPPLEMENTAL INFORMATION

The Board of Directors  
The Givens Estates, Inc. and Subsidiaries  
Asheville, North Carolina

We have compiled the accompanying consolidated projected balance sheets and related projected consolidated statements of operations, changes in net assets and cash flows of Givens Estates, Inc. and Subsidiaries, as of and for the each of the five years ending December 31, 2028, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

The projected balance sheets and related projected statements of operations, changes in net assets and cash flows of The Givens Estates, Inc., Givens Highland Farms, LLC, Givens Gerber Park II, LLC, Givens Choice, LLC and Life Ministries Outreach, LLC are presented for purposes of additional analysis and are not a required part of the consolidated projected financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated projected financial statements.

**FORVIS,LLP**

Atlanta, Georgia  
May 28, 2024

## The Givens Estates, Inc.

### Projected Statements of Operations For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Amortization of entrance fees	\$ 9,976	\$ 10,041	\$ 10,091	\$ 10,144	\$ 10,293
Residential revenue	22,315	23,518	24,475	25,468	26,497
Assisted living revenue	4,293	4,417	4,544	4,676	4,812
Long-term care revenue	9,658	9,545	9,765	9,991	10,231
Residential food service revenue	2,464	2,475	2,486	2,498	2,510
Contributions and bequests	1,213	1,249	1,286	1,325	1,365
Net assets released from restrictions-operations	455	468	482	497	512
Management fee	2,953	3,042	3,133	3,227	3,324
Other revenue	3,526	3,652	3,719	3,788	3,860
Investment income	2,099	2,494	2,782	3,087	3,414
<b>Total revenues, gains and other support</b>	<b>58,952</b>	<b>60,901</b>	<b>62,763</b>	<b>64,701</b>	<b>66,818</b>
<b>Expenses:</b>					
Administration	1,623	1,839	1,895	1,951	2,010
Assisted living	2,004	2,064	2,126	2,189	2,255
Long-term care	5,517	5,935	6,143	6,358	6,580
Home care	2,222	2,289	2,357	2,428	2,501
Maintenance	5,392	5,654	5,824	5,999	6,179
Dining services	5,024	5,600	5,768	5,941	6,120
Housekeeping	3,289	3,387	3,489	3,594	3,702
Laundry	23	24	25	25	26
Marketing	1,826	1,881	1,938	1,996	2,056
Resident services	1,901	1,958	2,017	2,077	2,140
Utilities	3,061	3,233	3,362	3,497	3,637
Outreach	1,065	1,097	1,130	1,164	1,199
Bad debts	40	41	42	44	45
Management fees	5,872	6,048	6,229	6,416	6,609
Insurance	593	610	629	647	667
Depreciation	6,180	6,073	5,925	5,662	5,347
Interest	1,070	1,059	964	865	766
<b>Total expenses</b>	<b>46,702</b>	<b>48,792</b>	<b>49,863</b>	<b>50,853</b>	<b>51,839</b>
Operating income	12,250	12,109	12,900	13,848	14,979
Net assets released from restrictions-capital projects	300	20	20	20	20
<b>Change in net assets without donor restrictions</b>	<b>\$ 12,550</b>	<b>\$ 12,129</b>	<b>\$ 12,920</b>	<b>\$ 13,868</b>	<b>\$ 14,999</b>

## Supplemental Disclosure

**The Givens Estates, Inc.**

Projected Statements of Changes in Net Assets  
For Each of the Five Years Ending December 31,  
(in thousands of dollars)

	2024	2025	2026	2027	2028
Net assets without donor restrictions:					
Operating income	\$ 12,250	\$ 12,109	\$ 12,900	\$ 13,848	\$ 14,979
Net assets released from restrictions-capital projects	300	20	20	20	20
Change in net assets without donor restrictions	12,550	12,129	12,920	13,868	14,999
Net assets with donor restrictions:					
Contributions	475	488	502	517	532
Net assets released from restriction-operating	(455)	(468)	(482)	(497)	(512)
Net assets released from restriction-capital	(300)	(20)	(20)	(20)	(20)
Change in net assets with donor restrictions	(280)	-	-	-	-
Change in net assets	12,270	12,129	12,920	13,868	14,999
Net assets, beginning of year	111,608	123,878	136,007	148,927	162,795
Net assets, end of year	\$ 123,878	\$ 136,007	\$ 148,927	\$ 162,795	\$ 177,794

**Supplemental Disclosure**

## The Givens Estates, Inc.

### Projected Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net assets	\$ 12,270	\$ 12,129	\$ 12,920	\$ 13,868	\$ 14,999
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Amortization of entrance fees	(9,976)	(10,041)	(10,091)	(10,144)	(10,293)
Depreciation	6,180	6,073	5,925	5,662	5,347
Amortization of deferred financing costs	9	8	8	7	7
Bad debts	40	41	42	44	45
Proceeds from entrance fees - routine turnover, non-refundable portion	11,604	11,944	12,294	13,263	13,653
Net change in working capital:					
Change in receivables and prepaid expenses	1,234	(169)	(146)	(149)	(152)
Change in accounts payable, other accrued liabilities, and payroll accruals	375	324	194	192	203
Net cash provided by operating activities	21,736	20,309	21,146	22,743	23,809
<b>Cash flows from investing activities:</b>					
Capital additions	(3,000)	(1,000)	(1,500)	(1,500)	(1,500)
Change in investments	(22,647)	(13,757)	(14,192)	(15,581)	(16,472)
Change in assets limited as to use:					
Operating reserve-Givens Estates	(1,679)	(570)	(327)	(334)	(348)
Other funds	(3,794)	(212)	(220)	(230)	(238)
Investment in LLCs	(209)	(249)	(255)	(261)	(273)
Net cash used by investing activities	(31,329)	(15,788)	(16,494)	(17,906)	(18,831)
<b>Cash flows from financing activities:</b>					
Proceeds from entrance fees - routine turnover, refundable portion	3,204	3,298	3,395	3,662	3,770
Principal payments-Series 2017 Bonds	(3,160)	(3,240)	(3,330)	(3,410)	(3,505)
Refunds of entrance fees	(4,341)	(4,471)	(4,605)	(4,972)	(5,121)
Net cash provided (used) by financing activities	(4,297)	(4,413)	(4,540)	(4,720)	(4,856)
Change in cash, cash equivalents and restricted cash	(13,890)	108	112	117	122
Cash, cash equivalents and restricted cash, beginning of year	19,607	5,717	5,825	5,937	6,054
Cash, cash equivalents and restricted cash, end of year	\$ 5,717	\$ 5,825	\$ 5,937	\$ 6,054	\$ 6,176
Cash, cash equivalents and restricted cash reconciliation:					
Cash and cash equivalents	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Assets limited as to use, current portion	2,717	2,825	2,937	3,054	3,176
Total cash, cash equivalents and restricted cash	\$ 5,717	\$ 5,825	\$ 5,937	\$ 6,054	\$ 6,176

## Supplemental Disclosure

## The Givens Estates, Inc.

### Projected Balance Sheets At December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Assets limited as to use, current portion	2,717	2,825	2,937	3,054	3,176
Accounts receivable, net	1,804	1,861	1,922	1,986	2,052
Other receivables	454	471	479	488	497
Contributions receivable, current portion	25	25	25	25	25
Prepaid expenses	973	1,027	1,062	1,096	1,130
<b>Total current assets</b>	<b>8,973</b>	<b>9,209</b>	<b>9,425</b>	<b>9,649</b>	<b>9,880</b>
Non-current assets:					
Property and equipment, net	132,472	127,399	122,975	118,813	114,966
Investments	103,612	117,369	131,561	147,142	163,614
Assets limited as to use, less current portion:					
Operating reserve-Givens Estates	10,918	11,488	11,815	12,149	12,497
Other funds	5,296	5,508	5,728	5,958	6,196
Contributions receivable, net of current portion	50	50	50	50	50
Other assets	592	592	592	592	592
Due from affiliates	5,033	5,282	5,537	5,798	6,071
<b>Total assets</b>	<b>\$ 266,946</b>	<b>\$ 276,897</b>	<b>\$ 287,683</b>	<b>\$ 300,151</b>	<b>\$ 313,866</b>
<b>Liabilities and Net Assets</b>					
Current liabilities:					
Accounts payable and other accrued liabilities	\$ 5,947	\$ 6,287	\$ 6,486	\$ 6,692	\$ 6,900
Interest payable	82	74	66	58	50
Agency funds	14	14	14	14	14
Resident refunds payable	4,471	4,605	4,972	5,121	5,396
Current portion of long-term debt	3,240	3,330	3,409	3,505	3,590
<b>Total current liabilities</b>	<b>13,754</b>	<b>14,310</b>	<b>14,947</b>	<b>15,390</b>	<b>15,950</b>
Long-term liabilities:					
Long-term debt, net of current portion and deferred financing cost	33,672	30,350	26,948	23,450	19,867
Refundable entrance fees, net of current portion	17,285	17,394	17,509	17,812	18,130
Deferred revenue from entrance fees	77,084	77,563	78,079	79,431	80,852
Advance admission deposits	1,273	1,273	1,273	1,273	1,273
<b>Total liabilities</b>	<b>143,068</b>	<b>140,890</b>	<b>138,756</b>	<b>137,356</b>	<b>136,072</b>
Net assets					
Without donor restrictions	112,903	125,032	137,952	151,820	166,819
With donor restrictions	10,975	10,975	10,975	10,975	10,975
<b>Total net assets</b>	<b>123,878</b>	<b>136,007</b>	<b>148,927</b>	<b>162,795</b>	<b>177,794</b>
<b>Total liabilities and net assets</b>	<b>\$ 266,946</b>	<b>\$ 276,897</b>	<b>\$ 287,683</b>	<b>\$ 300,151</b>	<b>\$ 313,866</b>

## Supplemental Disclosure

## Givens Highland Farms, LLC.

### Projected Statements of Operations For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Amortization of entrance fees	\$ 3,607	\$ 4,283	\$ 5,203	\$ 5,173	\$ 5,143
Residential revenue	10,960	12,687	13,693	13,843	14,300
Long-term care revenue	7,244	7,624	7,779	7,938	8,102
Residential food service revenue	1,498	1,635	1,754	1,754	1,754
Other revenue	539	650	689	693	697
Investment income	101	103	106	110	113
<b>Total revenues, gains and other support</b>	<b>23,949</b>	<b>26,982</b>	<b>29,224</b>	<b>29,511</b>	<b>30,109</b>
<b>Expenses:</b>					
Administration	848	903	929	956	984
Skilled nursing	4,490	4,848	5,017	5,193	5,375
Home care	80	83	85	88	90
Maintenance	3,066	3,183	3,398	3,500	3,605
Dining services	3,006	3,321	3,471	3,575	3,683
Housekeeping	1,047	1,102	1,184	1,218	1,254
Laundry	116	119	122	126	129
Resident services	972	1,000	1,029	1,059	1,090
Utilities	1,407	1,474	1,693	1,744	1,796
Outreach	149	156	164	172	181
Bad debts	35	36	37	38	39
Management fees	2,736	2,818	2,903	2,990	3,080
Insurance	258	281	289	298	307
Depreciation	3,202	3,759	3,913	3,758	3,021
Amortization of intangible assets	910	455	-	-	-
Interest	1,356	2,096	2,060	2,023	1,985
<b>Total expenses</b>	<b>23,678</b>	<b>25,634</b>	<b>26,294</b>	<b>26,738</b>	<b>26,619</b>
<b>Operating income</b>	<b>\$ 271</b>	<b>\$ 1,348</b>	<b>\$ 2,930</b>	<b>\$ 2,773</b>	<b>\$ 3,490</b>
<b>Non-operating income:</b>					
Net assets released from restrictions-capital projects	250	20	20	20	20
<b>Total non-operating income</b>	<b>250</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Change in net deficit without donor restrictions</b>	<b>\$ 521</b>	<b>\$ 1,368</b>	<b>\$ 2,950</b>	<b>\$ 2,793</b>	<b>\$ 3,510</b>

## Supplemental Disclosure

## Givens Highland Farms, LLC.

### Projected Statements of Changes in Net Deficits For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
Net deficit without donor restrictions					
Operating income	\$ 271	\$ 1,348	\$ 2,930	\$ 2,773	\$ 3,490
Net assets released from restrictions-capital projects	250	20	20	20	20
Change in net deficit without donor restrictions	521	1,368	2,950	2,793	3,510
Net assets with donor restrictions:					
Contributions	-	-	-	-	-
Net assets released from restrictions-capital projects	-	-	-	-	-
Change in net assets with donor restrictions	-	-	-	-	-
Change in net deficit	\$ 521	\$ 1,368	\$ 2,950	\$ 2,793	\$ 3,510
Net deficit, beginning of year	\$ (14,934)	\$ (14,413)	\$ (13,045)	\$ (10,095)	\$ (7,302)
Net deficit, end of year	\$ (14,413)	\$ (13,045)	\$ (10,095)	\$ (7,302)	\$ (3,792)

## Supplemental Disclosure



## Givens Highland Farms, LLC.

### Projected Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net deficit	\$ 521	\$ 1,368	\$ 2,950	\$ 2,793	\$ 3,510
Adjustments to reconcile net income to net cash provided by operating activities:					
Amortization of entrance fees	(3,607)	(4,283)	(5,203)	(5,173)	(5,143)
Depreciation	3,202	3,759	3,913	3,758	3,021
Amortization of intangible assets	910	455	-	-	-
Amortization of deferred financing costs	18	19	20	20	21
Amortization of original issue premium	(132)	(132)	(137)	(141)	(146)
Bad debts	35	36	37	38	39
Proceeds from entrance fees - routine turnover, non-refundable portion	2,000	2,400	2,400	2,400	2,400
Net change in working capital:					
Change in receivables and prepaid expenses	3,941	(180)	(117)	(62)	(84)
Change in accounts payable, other accrued liabilities, and payroll accruals	(634)	(1,549)	404	257	265
<b>Net cash provided by operating activities</b>	<b>6,254</b>	<b>1,893</b>	<b>4,267</b>	<b>3,890</b>	<b>3,883</b>
<b>Cash flows from investing activities:</b>					
Property and equipment purchases					
Capital additions	(34,000)	(10,415)	(1,000)	(1,000)	(1,000)
Change in investments	(4,276)	(6,670)	(1,647)	(1,332)	(1,286)
Change in assets limited as to use:					
Operating reserve-Givens Highland Farms	(793)	(470)	(250)	(158)	(164)
<b>Net cash used by investing activities</b>	<b>(39,069)</b>	<b>(17,555)</b>	<b>(2,897)</b>	<b>(2,490)</b>	<b>(2,450)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from entrance fees - routine turnover, refundable portion	629	629	629	629	629
Proceeds from initial entrance fees-Vista Ridge North	11,900	-	-	-	-
Proceeds from initial entrance fees-Vista Ridge South	-	15,003	-	-	-
Principal payments-Bank Loan	(442)	(470)	(499)	(529)	(562)
Refunds of entrance fees	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
<b>Net cash provided (used) by financing activities</b>	<b>10,587</b>	<b>13,662</b>	<b>(1,370)</b>	<b>(1,400)</b>	<b>(1,433)</b>
Change in cash, cash equivalents and restricted cash	(22,228)	(2,000)	-	-	-
Cash, cash equivalents and restricted cash, beginning of year	24,978	2,750	750	750	750
Cash, cash equivalents and restricted cash, end of year	2,750	750	750	750	750
Cash, cash equivalents and restricted cash reconciliation:					
Cash and cash equivalents	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Escrow deposits	2,000	-	-	-	-
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 2,750</b>	<b>\$ 750</b>	<b>\$ 750</b>	<b>\$ 750</b>	<b>\$ 750</b>

## Supplemental Disclosure

## Givens Highland Farms, LLC.

### Projected Balance Sheets At December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
Assets limited as to use, current portion	6	6	6	6	6
Accounts receivable, net	1,197	1,336	1,412	1,432	1,473
Other receivables	300	300	300	300	300
Escrow deposits	2,000	-	-	-	-
Prepaid expenses and inventory	100	106	111	115	118
<b>Total current assets</b>	<b>4,353</b>	<b>2,498</b>	<b>2,579</b>	<b>2,603</b>	<b>2,647</b>
Non-current assets:					
Property and equipment, net	111,400	118,056	115,143	112,385	110,364
Intangible assets	455	-	-	-	-
Assets limited as to use-other	641	641	641	641	641
Investments	5,051	11,721	13,367	14,699	15,985
Operating reserve-Givens Highland Farms	5,038	5,508	5,758	5,916	6,080
<b>Total assets</b>	<b>\$ 126,938</b>	<b>\$ 138,424</b>	<b>\$ 137,488</b>	<b>\$ 136,244</b>	<b>\$ 135,717</b>
<b>Liabilities and Net Deficit</b>					
Current liabilities:					
Accounts payable and other accrued liabilities	\$ 7,434	\$ 7,888	\$ 8,295	\$ 8,555	\$ 8,823
Interest payable	183	181	178	175	172
Agency funds	6	6	6	6	6
Escrow deposits	2,000	-	-	-	-
Resident refunds payable	1,500	1,500	1,500	1,500	1,500
Current portion of long-term debt	470	499	529	562	597
<b>Total current liabilities</b>	<b>11,593</b>	<b>10,074</b>	<b>10,508</b>	<b>10,798</b>	<b>11,098</b>
Long-term liabilities:					
Long-term debt, net of current portion and deferred financing cost	55,697	55,085	54,439	53,756	53,033
Due To Givens Estates	3,433	3,433	3,433	3,433	3,433
Refundable entrance fees, net of current portion	44,699	58,831	57,960	57,089	56,218
Deferred revenue from entrance fees	25,476	23,593	20,790	18,017	15,274
Advance admission deposits	453	453	453	453	453
<b>Total liabilities</b>	<b>141,351</b>	<b>151,469</b>	<b>147,583</b>	<b>143,546</b>	<b>139,509</b>
Net deficit					
Without donor restrictions	(14,974)	(13,606)	(10,656)	(7,863)	(4,353)
With donor restrictions	561	561	561	561	561
<b>Total net deficit</b>	<b>(14,413)</b>	<b>(13,045)</b>	<b>(10,095)</b>	<b>(7,302)</b>	<b>(3,792)</b>
<b>Total liabilities and net deficit</b>	<b>\$ 126,938</b>	<b>\$ 138,424</b>	<b>\$ 137,488</b>	<b>\$ 136,244</b>	<b>\$ 135,717</b>

## Supplemental Disclosure

## Givens Gerber Park II, LLC.

### Projected Statements of Operations For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Residential revenue	\$ 2,131	\$ 2,206	\$ 2,283	\$ 2,363	\$ 2,446
Contributions and bequests	39	40	41	42	43
Other revenue	202	208	214	220	227
<b>Total revenues, gains and other support</b>	<b>2,372</b>	<b>2,454</b>	<b>2,538</b>	<b>2,625</b>	<b>2,716</b>
<b>Expenses:</b>					
Administration	295	306	315	324	334
Maintenance	133	137	141	145	149
Dining services	376	387	399	411	423
Housekeeping	32	33	34	35	36
Marketing	96	99	102	105	108
Residential	35	36	37	38	39
Utilities	278	286	295	304	313
Bad debts	1	1	1	1	1
Management fees	187	193	202	209	216
Insurance	26	27	28	29	30
Depreciation	310	311	312	314	315
Interest	224	236	224	211	198
<b>Total expenses</b>	<b>1,993</b>	<b>2,052</b>	<b>2,090</b>	<b>2,126</b>	<b>2,162</b>
<b>Operating income</b>	<b>379</b>	<b>402</b>	<b>448</b>	<b>499</b>	<b>554</b>
<b>Non-operating income (loss):</b>					
<b>Total non-operating income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net assets without donor restrictions</b>	<b>\$ 379</b>	<b>\$ 402</b>	<b>\$ 448</b>	<b>\$ 499</b>	<b>\$ 554</b>

## Supplemental Disclosure

## Givens Gerber Park II, LLC.

### Projected Changes in Net Assets For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
Net assets without donor restrictions					
Operating income	\$ 379	\$ 402	\$ 448	\$ 499	\$ 554
Net assets released from restrictions--capital projects	-	-	-	-	-
Change in net assets without donor restrictions	379	402	448	499	554
Net assets with donor restrictions					
Net assets released from restrictions--operating	-	-	-	-	-
Change in net assets with donor restrictions	-	-	-	-	-
Change in net assets	\$ 379	\$ 402	\$ 448	\$ 499	\$ 554
Net assets, beginning of year	\$ 6,289	\$ 6,668	\$ 7,070	\$ 7,518	\$ 8,017
Net assets, end of year	\$ 6,668	\$ 7,070	\$ 7,518	\$ 8,017	\$ 8,571

## Supplemental Disclosure

## Givens Gerber Park II, LLC.

### Projected Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net assets	\$ 379	\$ 402	\$ 448	\$ 499	\$ 554
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation	310	311	312	314	315
Bad debts	1	1	1	1	1
Net change in working capital:					
Change in receivables and prepaid expenses	(81)	(4)	(5)	(4)	(5)
Change in accounts payable, other accrued liabilities, and payroll accruals	19	1	2	1	1
<b>Net cash provided by operating activities</b>	<b>628</b>	<b>711</b>	<b>758</b>	<b>811</b>	<b>866</b>
<b>Cash flows from investing activities:</b>					
Capital additions	(25)	(26)	(26)	(27)	(27)
<b>Net cash used by investing activities</b>	<b>(25)</b>	<b>(26)</b>	<b>(26)</b>	<b>(27)</b>	<b>(27)</b>
<b>Cash flows from financing activities:</b>					
Principal payments-Gerber Bank Loan	(328)	(328)	(328)	(328)	(328)
<b>Net cash used by financing activities</b>	<b>(328)</b>	<b>(328)</b>	<b>(328)</b>	<b>(328)</b>	<b>(328)</b>
Change in cash, cash equivalents and restricted cash	275	357	404	456	511
Cash, cash equivalents and restricted cash, beginning of year	1,810	2,085	2,442	2,846	3,302
<b>Cash, cash equivalents and restricted cash, end of year</b>	<b>\$ 2,085</b>	<b>\$ 2,442</b>	<b>\$ 2,846</b>	<b>\$ 3,302</b>	<b>\$ 3,813</b>
Cash, cash equivalents and restricted cash reconciliation:					
Cash, cash equivalents and restricted cash	\$ 2,085	\$ 2,442	\$ 2,846	\$ 3,302	\$ 3,813
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 2,085</b>	<b>\$ 2,442</b>	<b>\$ 2,846</b>	<b>\$ 3,302</b>	<b>\$ 3,813</b>

## Supplemental Disclosure

**Givens Gerber Park II, LLC.**

Projected Balance Sheets  
At December 31,  
(in thousands of dollars)

	2024	2025	2026	2027	2028
<b><u>Assets</u></b>					
Current assets:					
Cash and cash equivalents	\$ 2,085	\$ 2,442	\$ 2,846	\$ 3,302	\$ 3,813
Accounts receivable, net	76	79	81	84	87
Other receivables	17	17	18	18	19
Prepaid expenses and inventory	6	6	7	7	7
Total current assets	2,184	2,544	2,952	3,411	3,926
Property and equipment, net	10,085	9,800	9,514	9,227	8,939
Interest rate swap	235	235	235	235	235
Total assets	\$ 12,504	\$ 12,579	\$ 12,701	\$ 12,873	\$ 13,100
<b><u>Liabilities and Net Assets</u></b>					
Current liabilities:					
Accounts payable and other accrued liabilities	\$ 31	\$ 32	\$ 34	\$ 35	\$ 36
Current portion of long-term debt	328	328	328	328	328
Total current liabilities	359	360	362	363	364
Long-term liabilities:					
Long-term debt, net of current portion	5,273	4,945	4,617	4,289	3,961
Due To Givens Estates	204	204	204	204	204
Total liabilities	5,836	5,509	5,183	4,856	4,529
Net assets					
Without donor restrictions	6,668	7,070	7,518	8,017	8,571
With donor restrictions	-	-	-	-	-
Total net assets	6,668	7,070	7,518	8,017	8,571
Total liabilities and net assets	\$ 12,504	\$ 12,579	\$ 12,701	\$ 12,873	\$ 13,100

**Supplemental Disclosure**

## Givens Choice, LLC.

### Projected Statements of Operations and Changes in Net Deficit For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Amortization of entrance fees	\$ 115	\$ 202	\$ 284	\$ 345	\$ 411
Member Monthly Service Fees	376	688	1,006	1,269	1,572
Other revenue	6	6	6	7	7
Investment income	6	214	281	357	443
<b>Total revenues, gains and other support</b>	<b>503</b>	<b>1,110</b>	<b>1,577</b>	<b>1,978</b>	<b>2,433</b>
<b>Expenses:</b>					
Personal assistance	154	163	172	183	194
Marketing	65	69	73	78	83
Management fee	30	32	34	36	38
Administration	508	539	571	605	642
<b>Total expenses</b>	<b>757</b>	<b>803</b>	<b>850</b>	<b>902</b>	<b>957</b>
Operating income (loss)	\$ (254)	\$ 307	\$ 727	\$ 1,076	\$ 1,476
Change in net assets (deficit) without donor restrictions	\$ (254)	\$ 307	\$ 727	\$ 1,076	\$ 1,476
Net assets without donor restrictions					
Operating income (loss)	\$ (254)	\$ 307	\$ 727	\$ 1,076	\$ 1,476
Net assets released from restrictions--capital projects	-	-	-	-	-
Change in net assets without donor restrictions	(254)	307	727	1,076	1,476
Net assets with donor restrictions					
Net assets released from restrictions-operating	-	-	-	-	-
Change in net assets with donor restrictions	-	-	-	-	-
Change in net assets (deficit)	\$ (254)	\$ 307	\$ 727	\$ 1,076	\$ 1,476
Net assets (deficit), beginning of year	\$ (200)	\$ (454)	\$ (147)	\$ 580	\$ 1,656
Net assets (deficit), end of year	\$ (454)	\$ (147)	\$ 580	\$ 1,656	\$ 3,132

## Supplemental Disclosure

## Givens Choice, LLC.

### Projected Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net assets (deficit)	\$ (254)	\$ 307	\$ 727	\$ 1,076	\$ 1,476
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Amortization of entrance fees	(115)	(202)	(284)	(345)	(411)
Proceeds from entrance fees - non-refundable portion	1,440	3,000	1,800	1,800	1,800
Net change in working capital:					
Change in receivables and prepaid expenses	(4)	(3)	(3)	(2)	(3)
Change in accounts payable, other accrued liabilities, and payroll accruals	(81)	-	1	-	-
<b>Net cash provided (used) by operating activities</b>	<b>986</b>	<b>3,102</b>	<b>2,241</b>	<b>2,529</b>	<b>2,862</b>
<b>Cash flows from investing activities:</b>					
Net cash provided by investing activities	-	-	-	-	-
<b>Cash flows from financing activities:</b>					
Net cash provided (used) by financing activities	-	-	-	-	-
Change in cash, cash equivalents and restricted cash	986	3,102	2,241	2,529	2,862
Cash, cash equivalents and restricted cash, beginning of year	3,043	4,029	7,131	9,372	11,901
<b>Cash, cash equivalents and restricted cash, end of year</b>	<b>\$ 4,029</b>	<b>\$ 7,131</b>	<b>\$ 9,372</b>	<b>\$ 11,901</b>	<b>\$ 14,763</b>
Cash, cash equivalents and restricted cash reconciliation:					
Cash, cash equivalents and restricted cash	\$ 4,029	\$ 7,131	\$ 9,372	\$ 11,901	\$ 14,763
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 4,029</b>	<b>\$ 7,131</b>	<b>\$ 9,372</b>	<b>\$ 11,901</b>	<b>\$ 14,763</b>

## Supplemental Disclosure



**Givens Choice, LLC.**

Projected Balance Sheets  
At December 31,  
(in thousands of dollars)

	2024	2025	2026	2027	2028
<b><u>Assets</u></b>					
Current assets:					
Cash and cash equivalents	\$ 4,029	\$ 7,131	\$ 9,372	\$ 11,901	\$ 14,763
Assets limited as to use, current portion	-	-	-	-	-
Accounts receivable, net	2	4	6	7	9
Prepaid expenses and inventory	17	18	19	20	21
Total current assets	4,048	7,153	9,397	11,928	14,793
Non-current assets	-	-	-	-	-
Total assets	\$ 4,048	\$ 7,153	\$ 9,397	\$ 11,928	\$ 14,793
<b><u>Liabilities and Net Assets (Deficit)</u></b>					
Current liabilities:					
Accounts payable and other accrued liabilities	4	4	5	5	5
Total current liabilities	4	4	5	5	5
Long-term liabilities:					
Due To Givens Estates	33	33	33	33	33
Deferred revenue from entrance fees	4,457	7,255	8,771	10,226	11,615
Advance admission deposits	8	8	8	8	8
Total liabilities	4,502	7,300	8,817	10,272	11,661
Net assets (deficit)					
Without donor restrictions	(454)	(147)	580	1,656	3,132
With donor restrictions	-	-	-	-	-
Total net assets (deficit)	(454)	(147)	580	1,656	3,132
Total liabilities and net assets (deficit)	\$ 4,048	\$ 7,153	\$ 9,397	\$ 11,928	\$ 14,793

**Supplemental Disclosure**

## Life Ministries Outreach, LLC.

### Projected Statements of Operations and Changes in Net Deficits For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Revenues, gains and other support:</b>					
Amortization of entrance fees	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions and bequests	27	28	29	30	31
<b>Total revenues, gains and other support</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>31</b>
<b>Expenses:</b>					
Outreach	269	277	285	294	303
<b>Total expenses</b>	<b>269</b>	<b>277</b>	<b>285</b>	<b>294</b>	<b>303</b>
Operating loss	\$ (242)	\$ (249)	\$ (256)	\$ (264)	\$ (272)
Change in net deficit without donor restrictions	\$ (242)	\$ (249)	\$ (256)	\$ (264)	\$ (272)
Net assets without donor restrictions					
Operating loss	\$ (242)	\$ (249)	\$ (256)	\$ (264)	\$ (272)
Net assets released from restrictions--capital projects	-	-	-	-	-
<b>Change in net assets without donor restrictions</b>	<b>(242)</b>	<b>(249)</b>	<b>(256)</b>	<b>(264)</b>	<b>(272)</b>
Net assets with donor restrictions					
Contributions	-	-	-	-	-
Net assets released from restrictions-operating	-	-	-	-	-
<b>Change in net assets with donor restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Change in net deficit	\$ (242)	\$ (249)	\$ (256)	\$ (264)	\$ (272)
Net deficit, beginning of year	\$ (1,138)	\$ (1,380)	\$ (1,629)	\$ (1,885)	\$ (2,149)
<b>Net deficit, end of year</b>	<b>\$ (1,380)</b>	<b>\$ (1,629)</b>	<b>\$ (1,885)</b>	<b>\$ (2,149)</b>	<b>\$ (2,421)</b>

## Supplemental Disclosure

## Life Ministries Outreach, LLC.

### Projected Statements of Cash Flows For Each of the Five Years Ending December 31, (in thousands of dollars)

	2024	2025	2026	2027	2028
<b>Cash flows from operating activities:</b>					
Change in net deficit	\$ (242)	\$ (249)	\$ (256)	\$ (264)	\$ (272)
Adjustments to reconcile net loss to net cash provided by operating activities:					
Net change in working capital:					
Change in receivables and prepaid expenses	-	-	-	-	-
Change in accounts payable, other accrued liabilities, and payroll accruals	1	-	1	-	-
<b>Net cash used by operating activities</b>	<b>(241)</b>	<b>(249)</b>	<b>(255)</b>	<b>(264)</b>	<b>(272)</b>
<b>Cash flows from investing activities:</b>					
Change in due to Givens Estates	242	249	256	264	272
<b>Net cash provided by investing activities</b>	<b>242</b>	<b>249</b>	<b>256</b>	<b>264</b>	<b>272</b>
<b>Cash flows from financing activities:</b>					
Net cash provided (used) by financing activities	-	-	-	-	-
Change in cash, cash equivalents and restricted cash	1	-	1	-	-
Cash, cash equivalents and restricted cash, beginning of year	25	26	26	27	27
<b>Cash, cash equivalents and restricted cash, end of year</b>	<b>\$ 26</b>	<b>\$ 26</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>
Cash, cash equivalents and restricted cash reconciliation:					
Cash, cash equivalents and restricted cash	\$ 26	\$ 26	\$ 27	\$ 27	\$ 27
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 26</b>	<b>\$ 26</b>	<b>\$ 27</b>	<b>\$ 27</b>	<b>\$ 27</b>

## Supplemental Disclosure

**Life Ministries Outreach, LLC.**

Projected Balance Sheets  
At December 31,  
(in thousands of dollars)

	2024	2025	2026	2027	2028
<b><u>Assets</u></b>					
Current assets:					
Cash and cash equivalents	\$ 26	\$ 26	\$ 27	\$ 27	\$ 27
Other receivables	1	1	1	1	1
Total current assets	27	27	28	28	28
Non-current assets:					
Due from affiliate	401	401	401	401	401
Total assets	\$ 428	\$ 428	\$ 429	\$ 429	\$ 429
<b><u>Liabilities and Net Deficit</u></b>					
Current liabilities:					
Accounts payable and other accrued liabilities	11	11	12	12	12
Total current liabilities	11	11	12	12	12
Long-term liabilities:					
Due To Givens Estates	1,797	2,046	2,302	2,566	2,838
Total liabilities	1,808	2,057	2,314	2,578	2,850
Net deficit					
Without donor restrictions	(1,380)	(1,629)	(1,885)	(2,149)	(2,421)
With donor restrictions	-	-	-	-	-
Total net deficit	(1,380)	(1,629)	(1,885)	(2,149)	(2,421)
Total liabilities and net deficit	\$ 428	\$ 428	\$ 429	\$ 429	\$ 429

**Supplemental Disclosure**

## ATTACHEMENT 8

**Givens Estates**  
**Comparison of 2023 Audited Financial Statements to the 2023 Forecast**  
**Statement of Operations**

	<b>2023</b>	<b>2023</b>		
	<b>Audited</b>	<b>Forecast</b>	<b>Variance</b>	<b>%</b>
<b>Unrestricted revenues, gains and other support:</b>				
Long-term care revenue	\$ 9,102,619	\$ 9,013,000	\$ 89,619	1%
Residential revenue, including amortization	32,631,720	31,013,000	1,618,720	5%
Assisted living revenue	4,040,109	4,095,000	(54,891)	-1%
Residential food service revenue	2,363,148	2,317,000	46,148	2%
Contributions and grants	285,974	1,175,000	(889,026)	-76%
Interest and dividend income	1,570,724	2,020,000	(449,276)	-22%
Realized loss on investments	925,477	-	925,477	N/A
Net assets released - operations	694,740	455,000	239,740	53%
Other revenue	3,284,467	2,437,000	847,467	35%
<b>Total unrestricted revenues, gains and other support</b>	<b>54,898,978</b>	<b>52,525,000</b>	<b>2,373,978</b>	<b>5%</b>
<b>Expenses:</b>				
Administration	1,275,706	1,425,000	(149,294)	-10%
Assisted living	1,915,995	1,935,000	(19,005)	-1%
Long-term care	6,300,431	4,930,000	1,370,431	28%
Home care	1,569,879	781,000	788,879	101%
Maintenance	5,587,538	5,262,000	325,538	6%
Dining services	5,444,562	4,810,000	634,562	13%
Housekeeping	2,157,301	2,866,000	(708,699)	-25%
Laundry	11,348	20,000	(8,652)	-43%
Management fees	5,196,800	5,227,000	(30,200)	-1%
Resident services	2,347,938	1,538,000	809,938	53%
Utilities	3,047,726	2,788,000	259,726	9%
Insurance	460,167	413,000	47,167	11%
Outreach	1,360,733	794,000	566,733	71%
Bad debt expense	234,325	40,000	194,325	486%
Depreciation	6,097,280	6,300,000	(202,720)	-3%
Interest	1,044,900	1,057,000	(12,100)	-1%
<b>Total expenses</b>	<b>44,052,629</b>	<b>40,186,000</b>	<b>3,866,629</b>	<b>10%</b>
<b>Operating income (loss)</b>	<b>10,846,349</b>	<b>12,339,000</b>	<b>(1,492,651)</b>	<b>-12%</b>
<b>Non-operating income (expense)</b>				
Unrealized gain on investments	5,283,019	-	5,283,019	N/A
Net assets released from restrictions - capital	558,415	20,000	538,415	2692%
Loss on disposal of P&E	6,120	-	6,120	N/A
<b>Total non-operating income (expense)</b>	<b>5,847,554</b>	<b>20,000</b>	<b>5,283,019</b>	<b>26415%</b>
<b>Change in net assets without donor restrictions</b>	<b>16,693,903</b>	<b>12,359,000</b>	<b>4,334,903</b>	<b>35%</b>
<b>Net assets with donor restrictions:</b>				
Contributions & Net investment income	1,502,984	(34,000)	1,536,984	-4521%
<b>Change in net assets with donor restrictions</b>	<b>1,502,984</b>	<b>(34,000)</b>	<b>1,536,984</b>	<b>-4521%</b>
<b>Change in net assets</b>	<b>\$ 18,196,887</b>	<b>\$ 12,325,000</b>	<b>\$ 5,871,887</b>	<b>48%</b>

**Givens Estates**  
**Comparison of 2023 Audited Financial Statements to the 2023 Forecast**  
**Balance Sheet**

	2023 Audited	2023 Forecast	Variance	%
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 14,058,846	\$ 3,000,000	\$ 11,058,846	369%
Assets limited as to use, current	1,957,981	2,633,000	(675,019)	-26%
Accounts receivable, net	1,748,881	2,809,000	(1,060,119)	-38%
Contributions receivables, current	178,616	25,000	153,616	614%
Other receivables	1,338,227	2,284,000	(945,773)	-41%
Escrow deposits	-	-	-	N/A
Prepaid expenses	1,071,394	809,000	262,394	32%
Total current assets	20,353,945	11,560,000	8,793,945	76%
Non-current assets:				
Property and equipment, net	135,652,463	135,215,000	437,463	0%
Due from Affiliate	4,823,892	5,099,000	(275,108)	-5%
Assets limited as to use, less current portion	5,092,511	2,614,000	2,478,511	95%
Statutory operating reserve fund	9,239,000	9,239,000	-	0%
Investments	80,965,052	85,323,000	(4,357,948)	-5%
Contributions receivables, less current portion	202,314	50,000	152,314	305%
Other assets	591,619	613,000	(21,381)	-3%
Total noncurrent assets	236,566,851	238,153,000	(1,586,149)	-1%
<b>Total assets</b>	<b>\$ 256,920,796</b>	<b>\$ 249,713,000</b>	<b>\$ 7,207,796</b>	<b>3%</b>
<b>Liabilities and net assets</b>				
Current liabilities:				
Accounts payable and other accrued liabilities	\$ 5,571,990	\$ 5,113,000	\$ 458,990	9%
Interest payable	82,904	82,000	904	1%
Agency funds	13,720	16,000	(2,280)	-14%
Escrow deposits	-	-	-	N/A
Long-term debt, current portion	3,160,000	3,160,000	-	0%
Refundable entrance fees, current portion	4,000,000	4,230,000	(230,000)	-5%
Total current liabilities	12,828,614	12,601,000	227,614	2%
Long-term liabilities:				
Long-term debt, net of current portion	36,865,088	36,903,000	(37,912)	0%
Due to affiliate	-	-	-	N/A
Refundable entrance fees, net of current portion	17,281,235	18,006,000	(724,765)	-4%
Deferred revenue from entrance fees	77,064,581	75,450,000	1,614,581	2%
Advance admission deposits	1,273,350	1,017,000	256,350	25%
Total long-term liabilities	132,484,254	131,376,000	1,108,254	1%
Net Assets	111,607,928	105,736,000	5,871,928	6%
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 256,920,796</b>	<b>\$ 249,713,000</b>	<b>\$ 7,207,796</b>	<b>3%</b>

**Givens Estates**  
**Statement of Cash Flows**  
**Comparison of 2023 Audited Financial Statements to the 2023 Forecast**

	<b>2023</b>	<b>2023</b>		
	<b>Audited</b>	<b>Forecast</b>	<b>Variance</b>	<b>%</b>
<b>Cash flows from operating activities:</b>				
Change in net assets	\$ 18,196,887	\$ 12,325,000	\$ 5,871,887	48%
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	6,097,280	6,300,000	(202,720)	-3%
Amortization of deferred financing costs	27,355	9,000		0%
Realized and unrealized gains on investments	(7,259,598)	-	(7,259,598)	N/A
Loss on disposal of property	(6,120)	-	(6,120)	N/A
Proceeds from entrance fees	12,309,578	10,706,000	1,603,578	15%
Amortization of entrance fees	(11,252,760)	(9,815,000)	(1,437,760)	15%
Bad Debts	234,325	40,000	194,325	486%
Net change in working capital:				
Change in receivables and prepaid expenses	1,621,362	418,000	1,203,362	288%
Change in accounts payable and other accrued liabilities	3,982,498	647,000	3,335,498	516%
Net cash provided by operating activities	23,950,807	20,630,000	3,320,807	16%
<b>Cash flows from investing activities:</b>				
Property and equipment purchases	(6,851,988)	(4,000,000)	(2,851,988)	71%
Change in due to/from affiliates	40,083	-	40,083	N/A
Reimbursement of development costs for related parties	21,505	-	21,505	N/A
Change in investments and assets limited as to use	(5,281,975)	(18,246,000)	12,964,025	-71%
Net cash provided (used) by investing activities	(12,072,375)	(22,246,000)	10,173,625	-46%
<b>Cash flows from financing activities:</b>				
Repayment of long-term debt	(3,097,982)	(3,080,000)	(17,982)	1%
Debt issuance costs incurred	-	-	-	N/A
Contributions restricted for capital	-	-	-	N/A
Refunds of entrance fees	(2,745,649)	(4,057,000)	1,311,351	-32%
Refundable entrance fees received	2,341,274	3,155,000	(813,726)	-26%
Entrance fee received from initial units	-	-	-	N/A
Net cash provided (used) by financing activities	(3,502,357)	(3,982,000)	(813,726)	20%
Change in cash and cash equivalents	8,376,075	(5,598,000)	13,974,075	-250%
Cash and cash equivalents, beginning of year	11,231,282	11,230,000	1,282	0%
Cash and cash equivalents, and restricted cash, end of year	\$ 19,607,357	\$ 5,633,000	\$ 13,974,357	248%

## **Notes to Comparison of 2023 Audited Financial Statements to 2023 Forecast**

For the Statement of Operations any variances greater than 5% and \$1,300,000 (.5% of assets) are highlighted in the comparison and explained below. For the Balance Sheet and Statement of Cash Flows, any variances greater than 5% and \$2,600,000 (1% of assets) are highlighted in the comparison and explained below.

### **Statement of Operations**

Corporate management fees of \$7,218,247 that were included in the audit have been removed from Other revenue, Administrative expense and Marketing expense in order to make a more accurate comparison between the audit and forecast. The corporate expenses are shown in the eliminations column of the audit. The Forecast excludes intercompany charges in the Givens Estates supplemental financials.

1. Long-term care - The variance was due to contract labor and ancillary expenses, which were high due to patient mix. The nursing shortage is still a big issue for our skilled nursing facilities.
2. Realized and Unrealized gains on investments – Realized and unrealized gains and losses are unpredictable, and we really do not have any control over how the market will perform, so we do not include them in the forecast.
3. Contributions and net investment income – Additional philanthropy staff was added in 2022 and really made an impact on giving in 2023. In addition, stock market gains really boosted investment income for our endowments.

### **Balance Sheet**

The balance sheet includes restricted and unrestricted assets for comparison.

4. Cash and cash equivalents – The audit was \$11,058,846 above the forecast. The audit groups short-term investments as cash & equivalents and the forecast assumes all cash over \$3,000,000 will be invested.

### **Cash Flows**

Some accounts in the investing and financing activities of the Forecast were combined to facilitate comparability to the audit.

5. Change in accounts payable and other accrued liabilities – The Forecast assumes a static level of days of operating expenses in accounts payable and accrued liabilities. The actual change in accounts payable and other accrued liabilities increased due to increased capital purchases that were in accounts payable at year end.



6. Property and equipment purchases – The variance of \$2,851,988 is due to higher-than-expected construction activity on the campus.
7. Change in assets limited as to use and investments – (see Note 4) The audit groups short-term investments as cash & equivalents and the forecast assumes all cash over \$3,000,000 will be invested. If actual cash over \$3,000,000 had been moved to investments, the variance to the forecast would only be \$1,905,179 and below the need for explanation.



## Membership Services Agreement

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## MEMBERSHIP SERVICES AGREEMENT

This Membership Services Agreement (the "Agreement"), Made this \_\_\_\_\_ day of January 2024, is between Givens Choice, LLC ("Provider"), sponsored by Givens Estates Inc. a not-for-profit corporation located in Asheville, North Carolina and organized under the laws of the State of North Carolina and \_\_\_\_\_ (the "Member")

WHEREAS, Provider has established and wishes to offer a program known as Givens Choice (the "Program") which allows for members to remain in their private residences while enjoying many of the benefits and services offered at a continuing care retirement community.

WHEREAS, Member desires to become a member of the Givens Choice program and to use and enjoy the facilities, programs and services provided by Provider subject to the terms and conditions of this Agreement;

NOW, THEREFORE, Member and Provider agree as follows:

### I. DEFINITIONS

All terms not defined under this Section I shall have the meanings ascribed to them elsewhere in this Agreement, or their common meaning.

**ADL Deficiencies** means deficiencies, as determined by the Care Coordination Team, in activities of daily living, such as bathing, dressing, eating, transferring, walking, mobility, grooming and continence. Those persons deemed to have ADL Deficiencies may include, but are not limited to those who need personal assistance, those with any type of dementia disorder, those who are bed bound or homebound, or those who need special equipment to ambulate (i.e. wheelchair, walker).

**Adjustment Period** means the ninety (90) day period immediately following the Effective Date during which either party can terminate this Agreement for any reason.

**Adult Day Care Services** means a facility that offers a program of services for adults in a congregate setting for a scheduled number of hours per week. Elements of an adult day care program usually include transportation, meals, and activities (both health related and social).

**Assisted Living Facility** means a residential facility for persons in need of assistance with activities of daily living and licensed by the State of North Carolina as an assisted living facility.

**Care Coordination Team** means the persons appointed by Provider for Member, comprised of the Director of Care Coordination (or his/her designee), a representative of Provider, and, in the case of medical and health care services, the Medical Director (or his/her designee) and other clinical professionals as deemed appropriate by Provider, in consultation

with the Member and/or Member's Designated Representative. The Care Coordination Team may, at Provider's sole discretion, change titles and personnel from time to time.

**Care Coordinator** means the person appointed by Provider to be responsible for handling the needs of the Member for services; for conducting specific needs assessments; and for making recommendations for services subject to review and final determination of Member's eligibility for services by the Care Coordination Team.

**Care Plan** means the written plan for long-term care services, including type of service, start date, quantity, frequency, duration of service, name of Program Approved Provider or Plan Participating Facility and any special considerations, which is developed and approved by the Care Coordination Team for Member based on a comprehensive needs assessment. The Care Plan and any amendments thereto shall be agreed to in writing by Member or Member's Designated Representative.

**Companion** means a person designated by Provider to provide Companion Services to Member at the Home Site.

**Companion Services** means those services provided by a Companion, which may include supervision of activities of daily living and medication reminders.

**Designated Service Area** means Provider's area of coverage for services. The Designated Service Area may be altered from time to time at the sole discretion of Provider. No change in the Designated Service Area by Provider will adversely affect this Agreement.

**Determined To Be Appropriate** means the Care Coordination Team, utilizing industry standards and accepted standards of healthcare practice, has assessed a Member's medical and functional status and concluded that services are necessary and will be provided by Provider.

**Emergency Alert System** means an in-home 24-hour electronic alarm system activated by a signal to a central switchboard. This system allows Members to secure immediate help in the event of a medical, physical, emotional, or environmental emergency.

**Facility** means an Assisted Living Facility or a Skilled Nursing Facility.

**Facility Based Services** means services provided in a Facility other than the Home Site, including assisted living, dementia care and skilled care. Facility Based Services will be provided at the supportive living facilities at Givens Estates / Givens Highland Farms or other Program Participating Facilities.

**Financial Statement** means a financial statement of Member in form acceptable to Provider.

**Home Care Aide** means a qualified person trained to provide assistance with personal care and designated by Provider to provide Home Care Services to Member at the Home Site.

**Home Care Services** means assistance with bathing and dressing and an established activity regimen, such as range of motion exercises, nutritional needs, such as feeding assistance.

**Homemaker** is a person designated by Provider to provide Homemaker Services to Member at the Home Site.

**Homemaker Services** are services provided by a Homemaker and may include assistance with day-to-day chore activities at the Home Site, such as cooking, dishwashing, laundry, light housekeeping and errands.

**Home Site** means Member's place of residence as indicated in Section II.A. of this Agreement.

**Home Site Services** means services provided by the Givens Choice program at Member's Home Site.

**Medical Director** means a physician appointed from time to time by Provider to oversee the provision of medical and health care services provided to members.

**Medical Record** means all records relating to Member's medical history and condition, which may be maintained by the Program or by a Program Participating Facility or a Program Approved Provider.

**Medicare** means the Health Insurance for the Aging Act, Title XVIII of the Social Security Amendment of 1965, as amended and the regulations promulgated thereunder in effect from time to time.

**Medicare Covered Services** means all hospital, skilled nursing, home care and medical services covered and paid for by Medicare Parts A and B and Member's MediGap or secondary insurance.

**Medicare Supplemental Coverage** means a private health insurance plan, which is certified by the Secretary of Health and Human Services as meeting federal requirements for Medicare supplemental policies. In general, Medicare Supplemental Coverage, also referred to as MediGap insurance or secondary insurance, pays some of the balance of the costs of care covered by Medicare Parts A and B when full costs are not paid by Medicare, and pays for certain deductibles and copayments.

**Member's Designated Representative** means any person appointed by Member to represent Member's interests or granted a Power of Attorney by Member or appointed Member's guardian by a court.

**Membership Date** means the later of the date of execution of this Agreement or the date on which Provider receives the Membership Fee as set forth in Section IV.A.

**Membership Fee** means the fee paid by Member to Provider as set forth in Section VI.A. of this Agreement.

**Monthly Fee** means the monthly fee described in Section VI.B. of this Agreement.

**Nursing Home Facility** means a residential facility licensed by the State of North Carolina to provide various levels of skilled nursing care.

**Permanent Resident** means when Member has resided in a Facility for one hundred (100) consecutive days and has been determined to be a Permanent Resident with respect to the Facility by the Care Coordination Team.

**Program Approved Provider** means a health care services firm having an agreement with Provider to supply services to members.

**Program Participating Facility** means an Assisted Living Facility or a Nursing Home Facility having an agreement with Provider to supply Facility Based Services to Members.

**Referral Service** means a service provided under the Givens Choice program whereby Provider, acting as an intermediary between Member and third-party vendors of such services, makes referrals to Member for such services as he/she may choose, at costs payable in full by Member.

**Services** means any assistance, including care coordination, Member home inspection, Home Site Services (including home health care, Homemaker services, Companion services, Emergency Alert System, meals, and adult day care), Facility Based Services (including Assisted Living and Nursing Home), transportation services, Referral Services and lifestyle and wellness programs, that are provide to Member in the Givens Choice program, subject to applicable co-payments and deductibles.

## **II. ACCOMMODATIONS AND SERVICES**

Provider will provide to Member the services described in this Agreement and in Attachment A for the lifetime of Member subject to the terms and conditions hereinafter set forth, in a manner consistent with the objective of enabling Member to maintain his or her own living arrangement at the Home Site for as long as is practical and to provide Facility Based



Services, if needed. Any services that Provider is required to provide under this Agreement will be provided by Provider directly or through a Program Approved Provider or Program Participating Facility at Provider's cost, subject to any applicable copayments and deductibles.

Member agrees to accept and pay for the services in the manner set forth in this Agreement and to abide by the rules and regulations of Provider with respect to the services.

A. **Residence.** Member shall remain in their existing home (or subsequent residence of their choice) and shall not occupy a specific apartment or unit on the campus of Givens Estates at this time. Member shall have the option of selecting an independent living unit at Givens Estates in the future when available under such terms and conditions noted in the Residence and Services Agreement for the independent living unit and upon payment of the Entry Fee and Monthly Service for that unit then in effect. In the case of executing a Residency Agreement for an independent living unit, Member shall have the right to continue this Givens Choice Membership Agreement or terminate this Givens Choice Membership Agreement. Should Member terminate this Givens Choice Membership Agreement, any unamortized portion of the Membership Fee made pursuant to this Givens Choice Membership Agreement shall be credited towards any future Entry Fees then charged for such independent living unit.

Member Lives \_\_\_\_\_

henceforth known as “Home Site” and shall remain within the Designated service Area to remain eligible for all services, products, and programs of the Givens Choice program as described hereunder. Exemptions to designated service area must be approved by the Executive Director of Program.

B. **Care Navigation.** A Care Navigator will be assigned to Member. Under the direction of the assigned Care Navigator, the Care Navigation Team, in consultation with Member and/or Member's Designated Representative, shall prepare a Care Plan to meet Member's particular needs on an annual basis and as needed from time to time during the term of this Agreement. All decisions involving Member's participation in various medical and health care services or permanent transfer from the Home Site to Facility Based Services will be made by the Care Navigation Team following consultation with Member and/or Member's Designated Representative.

C. **Member Home Inspection.** During the first year of membership and every second year thereafter (unless circumstances of a Member's health condition justify more frequent inspections), Provider will provide a functional inspection of the Home Site for the purpose of ascertaining any functional and safety problems, and will make recommendations to Member based on the inspection. Provider may require, based on circumstances of previous inspections or Member's health condition, that Member permit Provider to provide a functional inspection of the Home Site. Provider does not, however, represent that it will undertake steps necessary to effectuate any of such recommendations. Any recommended changes or corrections are Member's sole responsibility. It is Member's choice to make such recommended changes or corrections to their Home Site. To aid Member in securing necessary goods or services, Provider will make available a list of possible vendors of such goods and services. Member is solely responsible for the full cost of any of the improvements to his/her Home Site as a result of Member's home inspection. If Member refuses any reasonable recommendation of the Care Navigation Team, Provider shall have no responsibility or liability for the consequences of such refusal.

D. **Home Site Services.** Home Site Services will be provided as Determined To Be Appropriate by the Care Navigation Team. Member must exhibit at least one or more ADL Deficiencies to be eligible for the following Home Site Services.

1. **Home Care.** Provider will provide non-Medicare covered Home Care Services, including assisted living level of care provided by a Home Care Aide as Determined To Be Appropriate by the Care Navigation Team and to the extent provided for in the membership plan selected by Member.

2. **Homemaker Services.** Provider will provide Homemaker Services, including light housekeeping, some errands, and meal preparation as Determined To Be Appropriate by the Care Navigation Team and to the extent indicated in the membership plan selected by Member.

3. **Companion Services.** Provider will provide Companion Services as Determined To Be Appropriate by the Care Coordination Team and to the extent indicated in the membership plan selected by Member.

4. **Emergency Alert System.** If Determined To Be Appropriate by the Care Navigation Team, Provider will provide an Emergency Alert System with 24-hour coverage to the extent indicated in the membership plan selected by Member.

5. **Meals.** If Determined To Be Appropriate by the Care Navigation Team due to a medical need, Provider will provide a maximum of two (2) meals per day delivered to the Home Site for a maximum of one (1) week after each event causing the medical need.

E. **Facility Based Services.** When Determined To Be Appropriate by the Care Navigation Team and prescribed by a physician, Provider will provide or cause to be provided, Facility Based Services, including assisted living in a private accommodation (subject to availability), assisted living memory support in semi-private accommodation, and nursing home services in a semi-private accommodation, subject to availability at each facility.

1. **Assisted Living and Nursing Home Services.** As Determined To Be Appropriate by the Care Navigation Team, assisted living and nursing home services will be provided at an Assisted Living Facility or Nursing Home Facility at Givens Estates / Givens Highland Farms or at similar Program Participating Facilities approved by Provider in accommodations as identified in Section

II. E. Provider will not be responsible for any ancillary charges included, but not limited to laundry, prescription drugs, medical supplies, telephone, internet, or television. Such charges shall be Member's sole responsibility.

F. **Adult Day Care.** Provider will provide Adult Day Care Services as Determined To Be Appropriate by the Care Navigation Team supplied by a Program Approved Provider to the extent provided for in the membership plan selected by Member and to the extent that Adult Day Care is available within designated service area.

G. **Transportation Services.** If Member is unable to drive or instructed by their physician not to drive to and from medically necessary outpatient surgery or short procedures which may include, but are not limited to, cataract removal, chemotherapy treatments, and surgical biopsies, Provider will provide transportation. This does not include transportation for regular physician office visits, dialysis, and routine specialist appointments.

H. **Givens Communities' Facilities.** Member shall have limited access to facilities and programs at Givens Estates / Givens Highland Farms.

I. **Lifestyle and Wellness Programs.** Lifestyle and wellness programs will be offered from time to time, free of charge or with an applicable fee for service, including but not limited to, exercise classes, arts and crafts, wellness seminars, speakers, and day excursions. Members will be advised of the schedules and the cost of these programs on an as-offered basis.

J. **Activities and Leisure Events.** Provider will provide planned and scheduled social,

recreational, spiritual, educational, and cultural activities and leisure events, exercise and health programs, and other special activities designed to meet the needs of the members of the Givens Choice program.

K. **Referral Service For Additional Services.** In addition to the services outlined in this Agreement, a Referral Service for other services is available. Each vendor will charge the Member accordingly for the agreed upon services.

L. **Other Services and Programs Available for Extra Charge.** Other Provider services and programs will be available to Member at Member's expense. For a list of services currently available and the market-rate charges for each service see Attachment B of this Agreement.

### III. AGREEMENT REQUIREMENTS AND PROCEDURES

A. **Condition of Membership in the Givens Choice Program.** The Givens Choice program is available to persons who are 60 years of age or older and who meet all eligibility requirements established by Provider. Through the application process, Member submitted the Application as well as other information required by Provider, participated in one or more interviews with Provider, and arranged for Member's physician to furnish five years of medical records to Provider. As a condition of acceptance for membership in the Givens Choice program, during the period following Member's application until the Membership Date, Member must continue to meet all eligibility requirements established by Provider, including but not limited to qualifications to ensure that Provider can accommodate Member's health needs through the Givens Choice program. Prospective Member agrees to provide such additional information that

Provider may require to supplement the Application.

**B. Representations.** Member affirms that the representations made in the Application are true and correct and may be relied upon by Provider as a basis for entering into this Agreement.

**C. Medical Insurance.** Member agrees to procure and maintain in force at Member's own expense, maximum coverage available to member under Medicare Part A, Medicare Part B, and one supplemental health insurance policy or equivalent insurance coverage acceptable to Provider and shall furnish Provider with evidence of coverage as Provider may from time-to-time request. If Member is not eligible for Medicare A and B, Member will be required to obtain a health insurance policy satisfactory to Provider that is equivalent to both Medicare (A and B) and Medicare Supplemental Coverage. If Member fails or neglects to arrange for such medical insurance coverage, Provider may, in Provider's sole discretion, terminate this Membership Agreement. Alternatively, Provider may, in Provider's sole discretion, make application on Member's behalf, pay Member's premium for this insurance and bill the costs to Member on the Monthly Fee statement. Member is responsible for procuring as well as maintaining such medical insurance coverage and Provider, while authorized to do so, shall have no obligation to do so. Should Member incur a medical expense during a period of time for which such medical insurance was required by Provider but was not procured and/or maintained either by Member or by Provider, Member shall be responsible for any portion of such expense which would have been covered had such a medical insurance policy been procured and maintained. All changes in information regarding Member's insurance coverage whether adding or canceling a policy, must be submitted in writing to Provider within ten (10) calendar days after such change.

**D. Limitation of Liability in Case of Refusal to Leave Home Site.** If the Care Navigation Team reasonably determines that it would be injurious to the health or safety of Member to remain in their Home Site and that therefore Member should become a resident in a Program Participating Facility, and Member refuses to make such move, or if Member refuses any related reasonable recommendation of the Care Navigation Team, Provider shall have no responsibility or liability for the consequences of such refusal.

**E. Illness or Accident While Traveling.** If an illness or accident occurs while Member is traveling outside Designated Service Area, Member shall make every reasonable effort to notify Provider as soon as possible. If continued medical care is required, Member shall arrange, as soon as reasonably possible, to return to Home Site or, if approved by the Care Navigation Team, to a Plan Participating Facility. Provider will be responsible for the costs of nursing care services covered under this Agreement that are incurred by Member in a Nursing Home Facility as a result of such accident or illness for a forty-five (45) day period of time after Member is admitted. Provider's responsibility for Nursing Home Facility charges will be limited to the then current private pay daily rate for a semi-private bed for the same level of care at Givens Estates / Givens Highland Farms. Member will be responsible for other costs such as hospital costs, physician fees, and transport, as well as any other costs not specifically stated in this Agreement, which shall be paid by Member or Member's personal insurance.

F. **Subrogation.** In case of accident or injury to Member caused by third parties, Member agrees to begin suit for damages within three months following written notice by Provider to Member, of Provider's interest in such suit. If Member fails to begin suit within such three-month period, Member hereby grants a limited power of attorney to the Provider, which power shall not be affected by the disability of Member, to at its election bring any claims or initiate legal action, if necessary, against the person who has caused injury to Member for compensation for the injury or expenses thereby caused. Member agrees to execute such further authorizations as shall be desirable to prosecute such claims or causes of action. The Provider, at its election, may sue on and enforce any cause of action for Member, for injury or damages so resulting, in the name of the Member or in its own name.

After all costs and damages incurred by the Provider (including reasonable costs of care furnished to Member by the Provider because of such accident or injury) shall have been paid for and reimbursed to the Provider by such subrogation, the balance of any collection made will be paid to Member or credited to Member's account, or in the event of the death of Member, will be paid to Member's estate. The Provider may limit its election as provided above to claims for recovery of the costs incurred by it, and in such event, the Provider shall not be obligated to assert any claim of Member arising out of such accident or injury beyond the costs incurred by the Provider.

G. **Right of Entry.** Member recognizes and accepts the responsibility of the Provider to enter Member's living accommodation in order to carry out the purpose and intent of this Agreement. The purposes for which such entry may be made include but are not limited to (1) Alert to the medical alert system and, (2) entry by authorized personnel if Member is reported missing or as not having responded to calls. The Provider recognizes Member's right to privacy and its responsibility to limit entry to the living accommodation to legitimate emergencies and scheduled work as set forth in the Agreement.

H. **Annual Physical Examination.** Provider encourages Member to undergo an annual physical examination performed by Member's personal physician. Provider encourages that a medical report be submitted by Member's personal physician to his/her Care Navigator.

#### IV. TRANSFERS OR CHANGES IN LEVELS OF CARE

A. **Decisions Involving Permanent Transfer From Living Accommodation.** All decisions involving permanent transfer from Member's current living accommodation (including Home Site, Assisted Living Facility, Nursing Home Facility, or hospital) to another accommodation will be made by the Care Navigation Team. Such decisions shall be made in consultation with Member, or in case of incompetency, with Member's Designated Representative. If a determination is made by Provider that any transfer is likely not temporary in nature, all services provided for under this Agreement pertaining to Home Site or other Living Accommodation will terminate unless separate arrangements are made between the parties.

B. **Transfer to Hospital or Other Facility.** Neither the facilities at Givens Estates / Givens Highland Farms nor at any other Program Participating Facility are designed to care for persons who are diagnosed to be psychotic, mentally ill, or as having a highly contagious or dangerous disease. When the above occurs, Member agrees to have a professional assessment to determine appropriate treatment and the staff of the facility where Member resides, in consultation with the Care Navigation Team, Member's physician and the Medical Director, will determine, at its sole discretion, if the continued presence of Member in the facilities at Givens Estates / Givens Highland Farms or in the other Program Participating Facility is either dangerous or detrimental to the health or peace of Member or the staff or the residents of the facility. Provider shall have the authority to transfer Member to an appropriate facility for such care. Provider shall not be obligated to pay for such care. Such transfer of Member will be made only after consultation to the extent possible with Member, Member's Designated Representative or a representative of Member's family and Member's attending physician.

## V. EXCLUSIONS

A. **Private Accommodations.** Private accommodations in a Nursing Home Facility or in a memory support bed at an Assisted Living Facility are not provided as part of this Agreement but may be available to Member for an additional fee.

B. **Excluded Services.** Member will be responsible for the costs of all services and supplies, other than the services specifically to be provided by Provider as set forth in this Agreement, either by direct payment or insurance reimbursement. Such services and supplies for which Member is responsible include, but are not limited to, the cost of all prescription medicines, physician services, private duty nursing services, outpatient services such as physical therapy, occupational therapy, speech therapy, IV therapy, respiratory therapy, oxygen, hospital stays, eye glasses, hearing aids, dentistry, orthopedic appliances, therapy for psychiatric disorders, incontinent supplies, wound care supplies, diabetic supplies, non-medical supplies, hair care, routine or emergency transportation, or any services not specifically provided for by this Agreement. Any specialized or personalized equipment (such as wheelchairs, walkers, kidney machine or respiratory equipment) that Provider would have to rent for Member will be charged to Member.

## VI. FEES, TERMS AND CONDITIONS

A. **Membership Fee.** Member agrees to pay Provider a one-time, nontransferable, non-interest-bearing Membership Fee of \$ \_\_\_\_\_ as a condition of becoming a member in the Givens Choice program. This Membership Fee is in payment for the \_\_\_\_\_ Plan, the payments, and benefits of which are described in Attachment A.

Membership Fee is due in full at the execution of this Agreement.

B. **Monthly Fee.** In addition to the Membership Fee, Member agrees to pay a Monthly Fee for the term of this Agreement, which shall be drafted on-or-around the 10<sup>th</sup> day of each month. After paying the Membership Fee, Member will commence paying the Monthly Fee.

As of the date of this Agreement, the Monthly Fee associated with the \_\_\_\_\_ Plan will be \$\_\_\_\_\_ per month. Provider may adjust the Monthly Fee during the term of this Agreement as described in Section VI. C. below.

C. **Adjustments in the Monthly Fee.** The Monthly Fee is made to provide the programs and services described in this Agreement and is intended to meet the cost of administration, staffing, and other expenses associated with the operation and management of the GIVENS CHOICE program. Provider shall have the authority to adjust the Monthly Fee periodically based on the financial needs of Provider. Provider will endeavor to make such adjustments on a once-a-year basis during the term of this Agreement. Provider, upon sixty (30) days written notice to Member, may make any such increases in the Monthly Fee.

D. **Additional Service Fees.** Provider may charge additional service fees to cover costs of programs and services that are not included in the Monthly Fee, as approved, or requested by Member. For a list of services currently available and the current charges for each service see Attachment B attached to this Agreement. The extra services available and the prices for these services may be changed periodically.

E. **Monthly Statements.** Upon request, Provider will furnish Member with monthly statements showing the Monthly Fee and additional service fees owed by Member that shall be payable by the 5<sup>th</sup> day of the month. Provider may charge interest at a rate of one- and one-half percent (1.5%) per month on any unpaid balance. In the event Member does not make payment on a timely basis, Member agrees to pay attorney's fees, if any, incurred by Provider in the collection of such fees. Member may not withhold monthly fees for any reason. In the event of non- payment of the Monthly Fee, Provider reserves the right to terminate this Agreement.

F. **Care in Other Assisted Living Facility or Nursing Care Facility.** Should Member be transferred to another Assisted Living Facility or Nursing Care Facility due to the unavailability of such facilities at Givens Estates or Member's desire to receive assisted living or nursing care in a Program Participating Facility closer to the Home Site, Member will continue to pay the Monthly Fee, and the charges incurred at the other facility for the level of services defined within this Agreement will be the responsibility of Provider up to the current private pay daily rate for an accommodation in Givens Estate's Assisted Living Facility or semi-private bed in Givens Estate's Nursing Home.

G. **Limitation of Provider Payment for Non-Institutional Health Care Services.** Provider may limit payment for Home Site Services (Home Care Services, Homemaker Services, Companion Services, Emergency Alert System, meals, and Adult Day Care) if the cost of such



services for any day exceeds the then current private pay daily rate for a semi-private room in the Nursing Home Facility at Givens Estates. Member may either transfer to a Program Participating Facility or pay the difference between the cost of Home Site Services and the then current private pay daily rate for a semi-private bed in the Nursing Home Facility at Givens Estates.

H. **Assignment of Reimbursements.** In order to assist in controlling Provider's operating costs, Member agrees to cooperate with staff in securing reimbursement should governmental programs or Member's insurance cover any portion of the supplies or services (including drugs) provided by Provider. Any reimbursements for supplies or services (including drugs) provided by Provider will be assigned to or paid to Provider. Member is responsible for all fees and charges incurred while this Agreement remains in force and Member will pay any disputed or denied claims within ninety (90) days of the date of service.

I. **Excess Costs.** Except as specifically provided by this Agreement, Member shall be solely responsible for services not covered by Medicare Parts A and B and Medicare Supplemental Coverage, or other insurance, and for payments exceeding Member's coverage limits including but not limited to: audiological tests and hearing aids; eye glasses and refractions; dentistry; dentures; dental inlays; drugs: organ transplants; orthopedic appliances; occupational, physical and speech therapy; podiatry; hospitalization and professional care for psychiatric disorders; treatment for alcohol or drug abuse medications; chiropractors; renal dialysis; extraordinary treatments; and experimental treatments. Member is responsible for all such fees and charges incurred while this Agreement remains in force.

J. **Non-Payment.** If Member fails to make any of the Monthly Fee payments at the required time, or to pay any other amounts due to Provider on the monthly statement provided to Member by Provider within thirty (30) days after it is billed to Member, Provider may give written notice to Member to pay all such amounts. If Member fails to comply with such notice within fifteen (15) days, Provider may terminate this Agreement, and shall provide Member with any applicable refund set forth in Section VII. D.

K. **Financial Difficulty.** Without in any way limiting its right to terminate this Agreement for non-payment, Provider shall not dismiss Member nor terminate this Agreement if the sole reason for non-payment is because of Member's financial inability to continue to pay all or part of the Monthly Fee. However, Member's acceptance into the Givens Choice program has been based on facts reported by Member in the Application. If Member has weakened this position or ability to pay the Monthly Fee because Member has made gifts to others or squandered personal wealth after submitting such Financial Statement, Provider reserves the right to terminate this Agreement.

If Member is unable to pay all or part of the Monthly Fee, Provider may request a current Financial Statement of Member and, if Member does not provide such statement within thirty (30) days, Provider reserves the right to terminate this Agreement. Member agrees to allow Provider to confirm Member's assets as shown on Member's Financial Statement.

Should Member find current income insufficient to meet the current Monthly Fee, Member shall take necessary steps to liquidate capital assets in order to keep Member's account on a current basis. Member further agrees that should assets and income be insufficient to pay the present obligations, Member shall apply for any assistance which may be available to Member. If Member dies or this Agreement is otherwise terminated, any unpaid Monthly Fees or additional service fees or parts thereof, plus interest on the unpaid balance, will be charged against the refund, if any, due to Member or Member's estate as provided in Section VII.D. below. If any balance of Monthly Fees or additional service fees remains due, Member or Member's estate shall be liable to Provider for the full amount of such Monthly Fees and additional service fees.

## **VII. TERMINATION AND REFUND PROVISIONS**

### **A. Member's Voluntary Termination.**

1. **During Rescission Period.** Notwithstanding anything herein to the contrary, this Agreement may be rescinded by Member giving written notice of such rescission to Provider within seven (7) business days following the date of the execution of this Agreement. In the event of such rescission, Member shall receive a refund in an amount equal to the Membership Fee. Notwithstanding anything to the contrary in this Agreement, any such refund shall be paid by Provider within thirty (30) days following receipt of written notice of rescission pursuant to this paragraph.

2. **After the Rescission Period.** Member may terminate this Agreement for any reason by giving Provider at least thirty (30) days written notice of such termination. If a refund is due to Member, Provider will make the refund in accordance with subsection D. below.

**B. Termination Upon Member's Death.** If Member dies, this Agreement shall terminate automatically and any refund due consistent with subsection D. below, shall be payable to Member's estate.

**C. Termination by Provider.** Provider may terminate this Agreement at any time for any cause that Provider, in its sole discretion, deems good and sufficient. Good or sufficient cause shall include, but is not limited to the following: (1) there has been a material misrepresentation or omission made by Member in the Application, any Financial Statement or any other information submitted with the Application; (2) Member fails to make payment to Provider of any fees or charges due Provider within thirty (30) days the date when due; (3) Member does not abide by the rules and regulations adopted by Provider; or (4) Member breaches any of the material terms and conditions of this Agreement. If a refund is due to Member following such termination, Provider will make the refund in accordance with Section VII.D. below.

### **D. Refund.**

**1. During Adjustment Period**

In the case of termination within the Adjustment Period Member, or his or her estate, shall be entitled to a full refund of the Membership Fee less any actual cost to the Provider to maintain the Member in Home Site, Assisted Living Facility, or Nursing Home Facility.

**2. After Adjustment Period Other Than by Death**

In the case of termination after the Adjustment Period, Member is entitled to a refund of the Membership Fee less a percentage of the principal amount of the Membership Fee for each calendar month from the Membership Date up to and including the month in which the refund is payable. Membership Fee for the Consultative Plan is non-refundable.

Resident of Residential Healthcare: The percentage of the Membership Fee shall be depreciated at a rate based on the following table:

Home Site Services.....	2% per month
Any time spent in an Assisted Living Facility or Home Site Services of equal cost in excess of one month.....	3% per month
Any time spent in a Nursing Home Facility or Home Site Services of equal cost in excess of one month.....	4% per month

**3. When a Permanent Resident in Assisted Living or Nursing Home Facility**

When a Member becomes a permanent resident of an Assisted Living Facility or Nursing Home Facility as provided in Section IV. B no refund of the Membership Fee will be paid.

**4. Payment of Refunds**

Any refund of the Membership Fee shall be paid to Member within sixty (60) days provided that all outstanding charges have been paid. All refunds shall be without interest.

E. **Right of Set-Off; Other Rights.** Provider will have the right to set-off against any refund payable to Member under Section VII. D., any accrued Monthly Fees that may have been deferred, any additional service fees or amounts payable to Provider under this Agreement and under any other agreement between Member and Provider or any affiliate of Provider and any costs or expenses that might be due, payable, or incurred by Member due to Member’s violation of this Agreement.

**VIII. GENERAL**

A. **Tax Considerations.** Member should consult with his/her tax advisor regarding the tax considerations associated with this Agreement.

B. **Management of the Givens Choice Program.** The absolute rights of management of the Givens Choice program are reserved by Provider. Provider reserves the right to make final

decisions relating to admission, level of care transfer or terminations relating to any member or membership services agreement. Members do not have the right to determine admission or terms of admission of any other member. Provider reserves the right to amend, implement or terminate policies and/or guidelines related to the operation of the Givens Choice program or of Provider in its sole discretion.

C. **Right to Delegate.** Member acknowledges the right of Provider to contract for the various services as provided by this Agreement, including, but not limited to, management services for the Givens Choice program.

D. **Assignment.** Member's rights and privileges under this Agreement with respect to services and medical care are personal to Member and cannot be transferred or assigned by act of Member, or by any proceeding of law, or otherwise.

E. **Confidentiality.** Provider has the responsibility to keep all of the personal, medical and financial information Member has supplied to it confidential. Member agrees that Provider can disclose such information to those who have a need, in its judgment, or right to know (e.g., to provide information for transfer to a Program Participating Facility or a hospital).

F. **Release of Medical Information.** The privacy of all members will be protected as provided for by the Health Insurance Portability and Accountability Act (HIPAA) and other applicable regulations. Member hereby authorizes Provider to release any medical information relating to Member to any doctor, hospital, or other facility or individuals when it is deemed necessary or helpful in providing for Member's ongoing care or treatment or for the purpose of submitting claims for benefits payable for health care services. Member further authorizes the release of any information to Provider from any health care provider when deemed necessary or beneficial for providing for Member's on-going care or treatment. This authorization will remain in effect until Member gives written notification to Provider of Member's desire to rescind this authorization.

G. **Right of Self-Determination.** Provider acknowledges Member's right to self-determination regarding medical care and treatment in accordance with applicable laws and regulations. Members are encouraged to file advance directives with Provider.

H. **Indemnity.** Member agrees to indemnify, defend and hold Provider harmless from claims, damages or expenses, including attorneys' fees and court costs, resulting from any injury or death to persons and any damages to property caused by, resulting from, attributable to or in any way connected with Member's negligent or intentional act or omission or those of Member's guests, including private duty nurses.

I. **Member Contracted Services.** If Member wishes to privately employ outside assistance for services that are covered under this Agreement, including Provider-employed associates, for whatever reason, all Provider policies must be upheld, and prior written approval by Provider management must be obtained. Member agrees to hold Provider harmless in all situations related to the provisions of such outside services. Provider has the right to require termination of such a service at any time.

J. **Acts of God.** In the event of war, national emergency, floods, earthquakes, or other acts of God beyond the control of Provider, the performance by Provider under this Agreement will be excused or may be modified to the extent such acts of God interfere with performance by Provider.

K. **Amendments and Partial Invalidation.** This Agreement can be changed only by mutual written consent. However, Provider can make changes without Member's consent to keep the Agreement in compliance with applicable laws and regulations provided that the changes Provider makes do not substantially reduce Member's benefits under this Agreement. If any provision in this Agreement is invalidated, all other provisions will remain in force.

L. **Survival.** Those rights and obligations that have accrued as a result of the operation of this Agreement shall survive its termination, as shall those rights and obligations that by their terms survive termination and any provisions that must survive to give effect to their terms, as shall any obligation of Member to pay costs or expenses of his or her membership in the Givens Choice program that remain unpaid as of such termination.

M. **Notices.** Member is responsible for notifying Provider of any changes in address and/or telephone number. Any notice, demand, or request which may be or is required to be given under this Agreement shall be in writing and delivered in person or shall be mailed by U.S. Certified or Registered Mail, postage prepaid, addressed as follows:

Provider:

Givens Choice  
90 Far Horizons Lane  
Asheville, NC 28803

Member: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Either party may designate such other address as may be appropriate by written notice.

N. **Member Handbook.** Member will be given a current copy of the Member's Handbook as adopted by Provider. Member understands that this document will change from time to time but that it is the procedural document for members of the Givens Choice program.

O. **Annual Disclosure Statement.** An annual disclosure statement will be made available to Member on or before June 30<sup>th</sup> of each year.

P. **Separability.** The invalidity of any restriction, condition or other provision of this Agreement, or any part of the same, shall not impair or affect in any way the validity or enforceability of the rest of this Agreement.

Q. **Entire Agreement.** This Agreement sets forth all the promises, agreements, conditions and understandings between Provider and Member and supersedes all prior agreements between the parties. No oral alteration, amendment, change or addition, shall be binding unless reduced to writing and signed by the parties. Provider shall not be liable or bound in any manner by any statements, representations or promises made by any person representing or assuming to represent Provider, unless such statements, representations or promises are set forth in this Agreement or in an amendment to this Agreement signed by Provider and by Member.

R. **Successors and Assigns.** Except as set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of Provider and the heirs, executors, responsible parties, powers of attorney, administrators and assigns of Member.

S. **Capacity.** This Agreement has been executed on Provider's behalf by Provider's duly authorized agent, and no officer, trustee, agent, or employee of Provider shall have any personal liability hereunder to Member under any circumstances.

**If you feel something has been promised to you, but it is not specifically mentioned in this Agreement, now is the time to discuss it – before you sign this Agreement.**

I understand this matter involves a financial commitment and associated risk, as well as a legally binding contract. I was encouraged to consult with an attorney and/or financial advisor who could advise me concerning this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate, as of the day and year first above written, one duplicate copy of this Agreement being retained by each party.

Your signature below certifies that you have read, understand, and accept this Agreement as of this \_\_\_\_\_

\_\_\_\_\_  
Member Signature

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Member Printed Name

Givens Choice, LLC

By: \_\_\_\_\_  
Authorized Representative

**NOTICE OF RIGHT TO RESCIND**

Date rescission period begins: \_\_\_\_\_

You may rescind and terminate your Member Agreement, without penalty or forfeiture, within seven (7) business days of the above date. No other agreement or statement you sign shall constitute a waiver of your right to rescind your agreement within the seven (7) day period.

To rescind your Member Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter, or telegram, stating your desire to rescind to:

Executive Director  
Givens Choice  
2360 Sweeten Creek Road  
Asheville, NC 28803

No later than midnight on \_\_\_\_\_.

Pursuant to this notice, I hereby cancel my Member Agreement.

\_\_\_\_\_  
Date

\_\_\_\_\_  
**Member's Signature**

\_\_\_\_\_  
**Member's Printed Name**



## Attachment A

### MEMBERSHIP PLANS

Each plan pays the following percentage of costs associated with the services being provided with the 2023 daily CAP indicated.

The lifetime coverage is \$1,000,000.

<b>Type of Service</b>	<b>Platinum (\$388)</b>	<b>Gold (\$310)</b>	<b>Silver (\$194)</b>	<b>Consultative</b>
Care Navigator	100%	100%	100%	100%
Personal Wellness Plan Development	100%	100%	100%	100%
Biennial Home Inspection	100%	100%	100%	100%
Activities (Social and Educational)	100%	100%	100%	100%
<b>Health Support Services</b>				
Home Care Aides	100%	80%	50%	0%
Companion / Homemaker	100%	80%	50%	0%
Delivered Meals	100%	100%	100%	0%
Adult Day Care	100%	80%	50%	0%
Emergency Alert System	100%	100%	100%	0%
Annual Physical Exam	100%	100%	100%	0%
Transportation	100%	100%	100%	0%
<b>Assisted Living: Private</b>	100%	80%	50%	0%
<b>Memory Support – Assisted Living: Semi-Private</b>	100%	80%	50%	0%
<b>Nursing Home Care: Semi-Private</b>	100%	80%	50%	0%

**Attachment B**

**ADDITIONAL SERVICES AND COSTS**

There are no additional services at this time.



## Disclosure Statement and Attachment Receipt

Scan the QR code below for the most recent Disclosure Statement.



By initialing this document, I acknowledge receipt of the 2022 Annual Disclosure Statement for Givens Choice (Givens Estates) and Attachments A and B of the Member Service Agreement. \_\_\_\_\_