



# Providence Place

**EveryAge Senior Living™**

## Disclosure Statement

October 1, 2024

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 July 29, 2025.
- ◇ This disclosure statement is required by North Carolina law to be delivered to a prospective Resident prior to execution of a Residency Agreement.
- ◇ This disclosure statement has not been approved by any government agency or representative to ensure accuracy or completeness of the information set out.

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## Section I:

# Organization Introduction and Information

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## Corporation Statement

Providence Place, LLC (“Providence Place”), a North Carolina limited liability company was organized in July 2024 for the purpose of acquiring Providence Place, a retirement community located in High Point, North Carolina.

EveryAge “the Corporation,” formerly known as United Church Homes and Services, is a North Carolina nonprofit corporation that was organized in 1961 for the purpose of developing and managing housing, retirement communities and programs of outreach across the geographic boundaries of the southern Conference of The United Church of Christ (The “Southern Conference”). EveryAge is the sole member of Providence Place, LLC.

The Corporation is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Providence Place is disregarded for income tax purposes under its sole member, EveryAge. In the event that the Corporation is assessed sales or use tax on Monthly and/or Daily Fees and/or fees for other services, the Resident will be responsible for all such taxes.

A volunteer Board of Directors governs the Corporation. The Conference Minister of the Southern Conference, with offices in Burlington, North Carolina, serves as an ex-officio member of the Board with voice but no vote.

The Corporation is a not-for-profit organization that owns and/or manages continuing care retirement communities in Newton (Abernethy Laurels), Thomasville (Piedmont Crossing), High Point (Providence Place), North Carolina, and Suffolk (Lake Prince Woods), Virginia, which consist of residential living, adult care (assisted living) and skilled nursing levels of living. The home office of the Corporation is located at 100 Leonard Avenue, Newton, North Carolina, Catawba County 28658. The Corporation employs a President and Chief Executive Officer who is authorized to have full executive power to carry out the policies and directives of the Board of Directors on a day-to-day basis. Each continuing care retirement community (Abernethy Laurels, Piedmont Crossing, Providence Place, and Lake Prince Woods,) has an Executive Director employed and authorized to conduct the day-to-day operations of their respective campus. EveryAge provides management services for Carolina SeniorCare and Elderhaus, Inc., PACE (Program of All-inclusive Care for the Elderly) centers located in Lexington, North Carolina and Wilmington, North Carolina, respectively. In addition to the PACE, Elderhaus, Inc. also operates an Adult Day Health Program and Home Care program. Additionally, in 2023, EveryAge entered into a management agreement with Iredell Adult Day Services in Statesville, North Carolina.

Lake Prince At Home, LLC, (herein referred to as LPAH) a limited liability company, organized under the laws of the State of North Carolina, was formed upon the issuance of its articles of organization by the North Carolina Department of the Secretary of State on October 16, 2017. LPAH also registered for authorization to do business in the Commonwealth of Virginia, through the State Corporation Commission, on November 28, 2017. LPAH’s sole member is Lake Prince Center, Inc. LPAH was

formed for the purpose of developing a Medicare-certified home health and hospice company. LPAH obtained its Home Care Organizational License from the Virginia Department of Health Office of Licensure and Certification, effective August 1, 2018, and Medicare Certification, effective April 25, 2019. LPAH obtained Hospice certification, effective April 21, 2022.

EveryAge formed and registered a limited liability corporation, BellaAge Hickory, LLC with the North Carolina Secretary of State in late 2022. BellaAge Hickory, LLC is a planned new independent living unit community in downtown Hickory, NC that will be known as BellaAge Hickory. The rental community will have 95 apartments which will be targeted to the middle-market. The average square footage per unit will be approximately 1,081 square feet. Prospective residents will enter a rental contract with services. Land was purchased in downtown Hickory (approximately 15 miles from its Abernethy Laurels campus) in 2021 as this opportunity was being explored. The community will be registered with the North Carolina Department of Health Service Regulation as a Multi-unit Housing with services facility. Construction began in 2023 and is expected to be completed in the Spring 2025.

In order to protect the health and safety of all residents, management retains the authority to evacuate and relocate residents upon threat of disasters. In cooperation with local emergency management agencies, Providence Place maintains a current evacuation plan to be implemented upon threat of pending disasters including, but not limited to, hurricanes or floods, warnings of the movement of airborne hazardous materials due to transportation accidents, or the recognition of unstable conditions at nuclear power plants. All residents must fully cooperate with evacuation plans when the order to evacuate has been issued by management. If any Resident fails to cooperate with evacuation plans, management will take the necessary actions including assistance from law enforcement and emergency management agencies to remove the Resident from Providence Place and transport to another location. No waivers of responsibility will entitle a Resident to remain at the community following an order for emergency evacuation.

The Corporation provides various administrative, accounting and management services, and in most cases sponsorship and start-up funding, for the following entities:

- ◆ Carolina SeniorCare
- ◆ Elderhaus, Inc.
- ◆ Lake Prince Center, Inc., d.b.a. (“Lake Prince Woods”)
- ◆ Lake Prince At Home, LLC
- ◆ BellaAge Hickory, LLC
- ◆ EveryAge Foundation (“Foundation”)
- ◆ ElderCenter, Inc., d.b.a. Iredell Adult Day Services

Under the principles of consolidation as set forth by generally accepted accounting principles in the United States of America, the financial statements of Carolina SeniorCare, Lake Prince Woods, Lake Prince At Home, and the Foundation are consolidated with the Corporation’s financial statements. Neither the Southern Conference of the United Church of Christ nor any other unit of the United Church of Christ is responsible for financial obligations of the Corporation.

## **Our Mission**

A Christian Ministry providing vibrant living, diverse programs of outreach and compassionate services.

## **Our Vision**

Enriching lives by providing the right services at the right time, in the right setting.

## **Our Values**

- ❖ **Compassion** .....we treat all individuals with understanding, care, and respect
- ❖ **Innovation** .....we are continually changing in order to meet new needs
- ❖ **Integrity** .....we are honest, accountable, and transparent in our services, communications, and the fulfillment of our mission
- ❖ **People** .....we are committed to hiring and investing in dedicated, passionate people
- ❖ **Quality**.....we strive to provide excellent service surpassing ordinary standards and expectations
- ❖ **Value** .....we aim to be the provider of choice making services accessible to as many as possible

## The Board of Directors of EveryAge

A volunteer Board of Directors governs the Corporation. The Conference Minister of the Southern Conference, with offices in Burlington, North Carolina, serves as an ex-officio member of the Board with voice but no vote. The Board of Directors of EveryAge is comprised of the following members:

### Member Directory FY2025 – October 1, 2024 – September 30, 2025

#### Board Officers:

Brad Thie, Chair  
 Margie Wiley, Vice Chair  
 Greg Alcorn, Secretary

#### Corporate Officers:

Lee Syria, President and CEO  
 Aimee Reimann, Chief Operating Officer  
 Tammy Jones, Chief Financial Officer  
 Sarah Abernethy, Assistant Secretary

	<b>BOARD MEMBER</b>			<b>TERM EXPIRES</b>
1.	Julius Abernethy	3781 Dockside Ln	Sherrills Ford, NC 28673	1 <sup>st</sup> Term – 2025
2.	Greg Alcorn	118-B South Main St	Salisbury, NC 28144	2 <sup>nd</sup> Term – 2027
3.	Larry Bolick	329 Summit Ave Apt. A	Salisbury, NC 28144	2 <sup>nd</sup> Term – 2026
4.	Anthony Branch	2737 NE 1 <sup>st</sup> St	Pompano Beach, FL 33062	3 <sup>rd</sup> Term – 2026
5.	Charles Erdman	3300 Rivers Bend Pl	Suffolk, VA 23435	1 <sup>st</sup> Term – 2027
6.	Jeff Gilliam	3799 Love Rd	Claremont, NC 28610	2 <sup>nd</sup> Term – 2026
7.	Allen Gray	307 Church St	Wilmington, NC 28401	1 <sup>st</sup> Term – 2026
8.	Michelle Horton <sup>1</sup>	907 Craig Dr	Suffolk VA 23434	2025 – LPW Advisory Council Chair
9.	Parker Howell <sup>1</sup>	PO Box 2278	Suffolk, VA 23432	Past Board Chair
10.	Lamont Maddox	847 Greenfield Ln	Chesapeake, VA 23322	1 <sup>st</sup> Term – 2027
11.	Hunter March	908 West Washington St	Suffolk, VA 23434	3 <sup>rd</sup> Term – 2026
12.	Shane Smith	PO Box 65014	Lubbock, TX 79464	1 <sup>st</sup> Term – 2025
13.	Jody Street <sup>1</sup>	518 W C St. PO Box 467	Newton, NC 28658	2026 – AL Advisory Council Chair
14.	Diana Sullivan <sup>1</sup>	919 Randolph St	Thomasville, NC 27360	2027 – PC Advisory Council Chair
15.	Brad Thie	53 Pineland St	Chapel Hill, NC 27516	2027 – Board Chair
16.	Cory Tobin	PO Box 71	Thomasville, NC 27361-0368	2 <sup>nd</sup> Term – 2026
17.	Margie Wiley	2000 Hillpoint Blvd. N. Ste. 200	Suffolk, VA 23434	1 <sup>st</sup> Term – 2025
18.	Kathy Wood	5005 Sundrop Ln	Little River, SC 29566	1 <sup>st</sup> Term – 2027
19.	Edward Davis <sup>2</sup>	252-B W 5 <sup>th</sup> St.	Burlington, NC 27215	Southern Conference Minister
20.	Lee Syria <sup>2</sup>	100 Leonard Ave	Newton, NC 28658	EveryAge Staff – President / CEO
21.	Sarah Abernethy <sup>2</sup>	100 Leonard Ave	Newton, NC 28658	EveryAge Staff – Assistant Secretary

<sup>1</sup> Advisory Council Chair(s) and Past Board Chair – Ex officio by virtue of office with Voice and Vote

<sup>2</sup> So. Conf. Minister, President/CEO, & Asst. Secretary – Ex officio by virtue of office with Voice, NO Vote



## **Home Office Administration**

### **Lee B. Syria, President and Chief Executive Officer**

- ◆ Was named President and CEO of EveryAge, effective October 1, 2012, and worked as Interim President and CEO from February 28 through September 30, 2012. Previously served as Senior Vice President of Operations for EveryAge since July 2008.
- ◆ Was previously employed with EveryAge as Vice President of Human Resources, beginning October 2003, and served as Director of Human Resources with EveryAge three years prior to her promotion from the position of Personnel Manager of Abernethy Laurels (EveryAge), beginning June 1997.
- ◆ Was named as a certified Consecrated Diakonal Minister through the Council for Health and Human Service Ministries in 2008.
- ◆ Has been a licensed Nursing Home Administrator (NHA) since 2006 and holds an NHA license in the State of North Carolina and in the Commonwealth of Virginia.
- ◆ Earned a Master's degree in Business Administration from Gardner-Webb University and a Bachelor of Science degree in Business Administration (Healthcare Management) from Appalachian State University.

### **Aimee N. Reimann, Chief Operating Officer**

- ◆ Has worked as Chief Operating Officer since June 1, 2013.
- ◆ Was previously employed by EveryAge as the Vice President of Home and Community Based Services from April 2011 to June 2013.
- ◆ Was previously employed as Executive Director of Abernethy Laurels, beginning in January 2008.
- ◆ Was previously employed as Administrator of Lutheran Home in Winston-Salem, North Carolina.
- ◆ Has been a licensed Nursing Home Administrator since 2004 and holds an NHA license in the State of North Carolina and the Commonwealth of Virginia.
- ◆ Has experience in various aspects of management since 1998.
- ◆ Earned a Bachelor of Arts degree in Nutrition from Indiana University of Pennsylvania.
- ◆ Holds a Fellows designation from the LeadingAge Leadership Academy.

### **Tammy H. Jones, Chief Financial Officer**

- ◆ Employed by EveryAge since November of 2010 and appointed as Chief Financial Officer, effective February 1, 2023.
- ◆ Previously served for 12 years as Corporate Controller of EveryAge, a multi-site senior living provider headquartered in Newton, North Carolina.
- ◆ Previously served as Senior General Accountant with Kewaunee Scientific Corporation in Statesville, NC from 2007 – 2010 where she performed a full spectrum of accounting services for this recognized global leader in the design, manufacture, and installation of laboratory, healthcare, and technical furniture products.
- ◆ Was previously employed with Hanesbrands, Inc. (May 2006 – Feb. 2007) as Senior Cost and International Accountant, Winston-Salem, NC. Prior to her promotion, from Dec. 1999 to May 2006, she worked as Plant Accountant/Accounts Payable Supervisor for Hanesbrands, Inc. in Statesville, NC. She was previously the Accounting Coordinator for Hanesbrands from Oct. 1997 to Dec. 1999.

- ◆ Served as Legal Assistant and Office Manager for the Law Office of Minor & Brown, Statesville, NC from Feb 1996 – Oct. 1997.
- ◆ Earned a Bachelor of Science degree in Business Management from Gardner-Webb University in Boiling Springs, North Carolina and an A.A.S degree in Computer Programming from Mitchell Community College in Statesville, NC.

**Michelle N. Roseman, Chief Quality and Compliance Officer**

- ◆ Employed by EveryAge in July 2020 and appointed as Chief Quality and Compliance Officer effective December 19, 2020.
- ◆ Was previously employed with Kindred at Home as Area Vice President of Operations from 2016 through May of 2020.
- ◆ Was previously employed as Executive Vice President and Chief Operating Officer for Catawba Regional Hospice from 2007 to 2016.
- ◆ Earned a Master of Business Administration Degree and Bachelor of Science Degrees in Psychology and Health Education from Gardner-Webb University.
- ◆ Achieved certification in Health Care Compliance (CHC) and Healthcare Privacy Compliance (CHPC) by the Health Care Compliance Association.
- ◆ Has previously worked as Executive Director of Abernethy Laurels/EveryAge from 1994 to 2007 and prior to her promotion, served as Healthcare Administrator and Director of Social Services at Abernethy Laurels.
- ◆ Has been a licensed Nursing Home Administrator since 1998 and holds a NHA license in the State of North Carolina and the Commonwealth of Virginia.

**Kim Kilday, Chief Marketing and Public Relations Officer**

- ◆ Has worked as Chief Marketing and Public Relations Officer at EveryAge since April 10, 2021.
- ◆ Was Regional Director of Sales and Marketing at Principle LTC from 2020-2021.
- ◆ Was Vice President of Sales and Marketing at Liberty Healthcare Management for nine years.
- ◆ Has previously worked as the Regional Director of Marketing for Care One Virginia.
- ◆ Was employed -NC West Region Sales & Marketing; Shoreline Healthcare Management 2007-08.
- ◆ Earned a Master's Degree in Data Marketing Communication from West Virginia University, a Master of Business Administration Degree with a concentration in Health Administration from Pfeiffer University, and a Bachelor of Science Degree in Business with a concentration in Marketing from Clarion University of Pennsylvania.
- ◆ Holds a North Carolina Insurance license for Life, Health and Long-Term Care.

**Cathy Cooper, Chief Human Resources Officer**

- ◆ Has worked as Chief Human Resources Officer since June 22, 2015.
- ◆ Was previously Senior Director Human Resources and Transitions of Richfield Hospitality, a hospitality management company based in Denver, Colorado from November 2004 to June 2015.
- ◆ Served in Human Resources and Operations with Hilton Knoxville from 1998-2004 and with Old Town Resorts, Key West, FL in Operations from 1995-1998.
- ◆ Earned the Senior Professional Human Resources (SPHR) designation from HRCI in 2004.
- ◆ Received the SHRM-SCP designation in 2015.
- ◆ Earned a Bachelor of Science in Business Administration degree from LaSalle University.

## Community Administration

**Amber McIntosh**, Executive Director, Abernethy Laurels

- ◆ Has worked as the Executive Director of Abernethy Laurels since April 2013.
- ◆ Was previously employed, since 2001 by Lutheran Home-Hickory, Inc., and served most recently as Executive Director for two campuses in Hickory for Lutheran Services Carolinas.
- ◆ Has experience in various aspects of healthcare management since 1991 including Adult Day Health, Assisted Living and Skilled Nursing.
- ◆ Has been a licensed nursing home administrator since 1995.
- ◆ Holds a Bachelor of Science in Business Administration from Appalachian State University.

**Judy O. Raymond**, Executive Director, Lake Prince Woods

- ◆ Has worked as the Executive Director of Lake Prince Woods since September 2010.
- ◆ Was previously employed, since 1994 by Westminster-Canterbury on Chesapeake Bay, most recently, as Vice President of Resident and Health Services.
- ◆ Has experience in various aspects of healthcare management and senior housing since 1985.
- ◆ Holds a Bachelor of Arts Degree in Leisure Studies from Salisbury State University.
- ◆ Has been a licensed Nursing Home Administrator since 2002.

**Jan (Briggs) Purdy-Gray**, Executive Director, Piedmont Crossing

- ◆ Has worked as the Executive Director of Piedmont Crossing since September 2024.
- ◆ Previously worked as Director of Nursing and Nursing Home Administrator at Piedmont Crossing since 2014.
- ◆ Has over 30 years of long-term care experience.
- ◆ Holds a Bachelor of Science Degree in Nursing with a focus in health care administration from Winston-Salem State University.

**Maria Robin Niles**, Executive Director, Providence Place

- ◆ Has worked as the Executive Director of Providence Place since October 2024.
- ◆ Previously worked over 17 years at Choice Health Management as Director of Operations.
- ◆ Has experience in various aspects of long-term care administration since 1989.
- ◆ Has been a licensed nursing home administrator in North Carolina since 1997; and prior to that in Virginia since 1989
- ◆ Is licensed as a NC Real Estate Realtor since 2020.
- ◆ Holds a Bachelor of Science Degree in Psychology from High Point University.
- ◆ Serves on the Board for FutureCare of NC

*No member of the Board of Directors of EveryAge, Home Office Administration or Community Administration has been convicted of a felony or pleaded nolo contendere to a felony charge or have been held liable or enjoined in a civil action by final judgment, where the felony or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property. No member of the Board of Directors of EveryAge, Home Office Administration or Community Administration is subject to a currently effective injunctive or restrictive court order, or within of an action brought by a government agency or department, where the order or action arose out of or related to business activity of healthcare, including actions affecting a license to operate a foster care facility, nursing home, retirement home, home for aged, or facility subject to North Carolina General Statute 58-64-20 or similar law in another state.*

*In accordance with North Carolina General Statute ("GS") § 58-64-20(a)(3)(b)], through this statement, it is hereby disclosed that no owner, officer, or person managing the community on a day to day basis has a 10% or greater interest in any other entity or if any other entity has a 10% or greater interest in any owner, officer, or person managing the community on a day to day basis has or will provide \$500 or more in goods or services to the community.*

Section II:  
**Community Introduction and Information**

---

**Providence Place, LLC**  
**1765 Westchester Drive**  
**High Point, NC 27626**

Providence Place, LLC is a continuing care retirement community located on a 27.2-acre site in High Point, North Carolina. The Corporation entered into an asset purchase agreement to acquire Providence Place on October 1, 2024. Providence Place is a North Carolina limited liability company wholly owned by EveryAge. Each individual’s application for admission is reviewed through an admissions process giving attention to health needs, and social interests along with financial and age requirements.

Providence Place, LLC is located in High Point Guilford County, North Carolina in the heart of the Piedmont region of North Carolina and is easily accessible from all parts of the state. From the Charlotte area take Interstate #85 north past Kannapolis, Salisbury, and Lexington. From the Raleigh, Durham, Greensboro area take Interstate #85 south past Burlington and Greensboro.

<b>Health Center</b>	<u>Available</u>	<u>Occupied</u>
Nursing Beds	129	114
<b>Adult Care Home/Assisted Living</b>	<u>Available</u>	<u>Occupied</u>
Adult Care Home Beds	90	70
<b>Residential Living Units</b>	<u>Available</u>	<u>Occupied</u>
Apartments	154	149
Cluster Homes	6	6

*There are approximately 339 Residents residing in all levels of living at Providence Place as of October 31, 2024. There is a total of 0 continuing care contracts with Providence Place, which encompass of a total of 0 people, inclusive of second persons.*

## Section III:

# **Policies and Procedures-Admission and Occupancy**

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## **Admissions Policy Statement**

Upon execution of the Lease Agreement and meeting the obligations as outlined hereunder, the Resident will qualify for admission to Providence Place, subject to the terms and conditions of this section.

### **A. Residential Lease Agreement**

When a Resident selects a Residential Living Unit\*, he/she must sign a Residential Lease Agreement. At the time of the execution of the Lease, a Security Deposit equivalent to one month's rent is required. If the lease term ends and the agreement is terminated, the Resident will receive a full refund of the Security Deposit minus the Application Fee, and any costs owed to the Corporation for damages beyond normal wear and tear or other outstanding charges or fees.

When the Resident is given a copy of the Residential Lease Agreement, the Marketing Representative will also provide a copy of Providence Place's Disclosure Statement. This statement details the organization, facilities, policies, services, fees, financial condition, projections, and vital information about Providence Place. The Disclosure Statement includes a Residential Lease Agreement and addendums. The Resident will acknowledge receipt of the Disclosure Statement with the of execution of the Residential Lease Agreement.

\*The terms Residential Living Unit and Rental Unit are used interchangeably in the disclosure statement, Residential Lease Agreement, and Resident Handbook.

### **B. Application for Admission**

The Resident must complete a Resident Application and a Resident Screening Form, which includes submission of information related to Personal Health History and Confidential Financial Information. This application must be submitted on or before the date the Residential Lease Agreement is executed.

The completed application forms will be reviewed, including financial data, to determine initial eligibility for admission to Providence Place. An interview with a Providence Place representative is required before the Director can approve or deny the application. The Director will make a decision within 15 days of receiving all completed documents, based on established admission criteria and policies. The marketing representative or designated team member will inform the Resident about the decision. If the Resident does not meet the admission requirements of Providence Place, this Agreement will be nullified, and any previously paid Security Deposit will be refunded. To confirm continued eligibility for residency, updated physical and financial statements may be required within 120 days prior to occupancy. If there is any change in the Resident's financial or health status that could impact eligibility, it is the Resident's responsibility to promptly provide updated documents to Providence Place.

### **C. Addendums**

#### **1. Animal Addendum.**

This addendum must be signed when executing the Residential Lease Agreement to confirm whether permission has been granted for an animal to reside in the Residential Living Unit. It

is the Resident's duty to immediately inform Providence Place of any changes to this addendum. The addendum can be revised at any time during the occupancy of the Residential Living Unit.

**2. Smoking Addendum**

This addendum must be signed when executing the Residential Lease Agreement to emphasize and confirm understanding of the Community's No Smoking policy and the consequences for violating the policy.

The addendum can be revised at any time during the occupancy of the Residential Living Unit.

**3. Disclosure of Services.**

This addendum acknowledges the services provided by Providence Place, LLC. It reiterates the basic admission criteria for each level of living and the provisions of the priority access granted to residents of Providence Place.

**D. Notification of Residential Living Unit Availability**

Once the Resident has been approved for admission, the Marketing Representative or designated team member will inform the Resident of the expected date of availability for occupancy. The Resident is required to start paying the monthly rental fee no later than 30 days from the date of availability.

**E. Health Criteria**

Admission requirements for residents at Providence Place are nondiscriminatory. Admission is restricted to persons fifty-five (55) years of age or older. Providence Place is open to anyone regardless of race, color, religion, sex, handicap, familial status, or national origin as set forth in the Residential Lease Agreement and Admission Application. Providence Place requires that a Resident submit the Resident screening form.

If the health of the Resident(s), as disclosed by the Resident screening form differs materially from that disclosed in the Resident's Application for admission, Providence Place shall have the right to decline admission of the Resident(s) and to terminate the Residential Lease Agreement.

**F. Financial and Insurance Criteria**

The Admissions Committee evaluates the financial criteria for accepting a Resident on an individual basis. Nonetheless, Residents of Providence Place should have adequate financial means to cover the monthly fees and any personal expenses throughout their expected stay at the community.

If the application and submission of confidential financial information were completed over sixty (60) days before the Residential Living Unit availability date, the Resident(s) may be asked to provide updated financial details and complete updated documents as outlined in Section B. Should the financial information disclosed in updated documents significantly differ from what was initially provided in the Resident's application, Providence Place reserves the right to reject the admission of the Resident(s) and terminate the Residential Lease Agreement.

The Resident is required to keep both Medicare Part A and Medicare Part B, or comparable Medicare Advantage Plan coverage, to ensure they can cover health care expenses. Additionally, the Resident

must provide Providence Place with proof of such coverage upon request. If the Resident is ineligible or not qualified for Medicare, they must maintain alternative health insurance. Should the Resident's insurance coverage come from a managed health care policy, the terms of that policy may specify where the Resident can receive health care services.

## **G. Residential Lease Agreement - Cancellation/Termination**

### **1. Right of Rescission.**

Notwithstanding any contrary provisions herein, the Resident may cancel any contract with Providence Place that requires a payment of a fee within thirty (30) days following either the contract execution or upon receiving a disclosure statement, whichever is later. In such an event, all payments made to Providence Place will be returned in full, excluding any customary charges pre-agreed by the Resident and Providence Place as nonrefundable. The Resident is not obligated to move into a Residential Living Unit before the aforementioned thirty (30) day rescission period expires. The Resident acknowledges having received, prior to the execution of this Agreement, a copy of Providence Place's current Disclosure Statement that complies with Section 58-64-20, et seq. of the North Carolina General Statutes. Should the Resident move into the Residential Living Unit during the Rescission Period and cancel this Agreement within the thirty (30) day timeframe, the Resident will not be refunded the monthly rental fee but will receive a refund of the security deposit paid to Providence Place, less the application fee and costs for any pre-agreed upgrades already paid for by Providence Place, and any unforeseen wear and tear or damage.

Any refund due under this Section shall be paid within sixty (60) days of termination of this Agreement.

### **2. Termination after Rescission Period, Prior to Occupancy.**

If a Resident or the Resident's spouse or companion/roommate passes away before occupancy, or if an illness, injury, or incapacity prevents the Resident from fulfilling the terms of the contract and occupying a Residential Living Unit at Providence Place, the contract will be automatically terminated. In such cases, the Resident shall receive a full refund of the Security Deposit paid to Providence Place.

The Resident may terminate this Agreement for any reason at any time prior to taking occupancy at Providence Place and after the Rescission Period by providing written notice to Providence Place. In this scenario, the Resident will forfeit the Security Deposit.

This Agreement may be terminated by Providence Place at any time prior to the date that the Resident takes occupancy if Providence Place determines that the Resident does not meet the physical, mental or financial requirements for admission. In the event of such termination, Resident shall receive a refund of the Security Deposit paid by the Resident, less (i) any nonstandard costs, if any.

Any refund due shall be paid within sixty (60) days of (i) Providence Place' receipt of written request to terminate Agreement; (ii) from the day the Agreement automatically terminates; or (iii) from the day Providence Place terminates Agreement for any reason.

### **3. Termination after Occupancy, Prior to thirteen (13) Months.**

If a Resident wishes to cancel their Residential Lease Agreement after moving in, they may do so by



providing written notice to the Executive Director at least sixty (60) days prior to their intended move-out date from Providence Place. The Resident is required to continue paying Monthly Rental Fees during this sixty (60) day period.

**4. Termination after Occupancy, at or after thirteen (13) months.**

If a Resident wishes to cancel their Residential Lease Agreement after moving in, they may terminate the Lease Agreement by providing written notice to the Executive Director at least sixty (60) days before the intended move-out date from Providence Place. During this sixty (60) day period, the Resident is responsible for paying the Monthly Rental Fees. The Resident will receive a refund of the security deposit minus any charges owed to Providence Place for damages beyond normal wear and tear, and other fees.

**5. Termination by Death after Occupancy.**

If Resident should die during the term of this Residential Lease Agreement, this Agreement shall terminate. The Monthly Charge will be paid until such time the Resident's belongings are removed from the Residential Living Unit and the Residential Living Unit is returned to Providence Place in good and habitable condition. The Resident's Security Deposit will be refunded less any money owed to Providence Place for damages beyond normal wear and tear or any other charges or fees owed to Providence Place and less the application fee.

**6. Termination by Providence Place.**

The Executive Director may, upon notice and opportunity to cure as herein provided, revoke Resident's right to reside at Providence Place and terminate this Residential Lease Agreement upon the occurrence of any default by the Resident in meeting the covenants, warranties, representations and terms of Residency provided for in this Agreement or for violations of policies stated in the Resident Handbook. Providence Place may also terminate this Agreement at any time for any good cause.

Good cause shall be limited to:

1. Proof the Resident is a danger to self or others;
2. Nonpayment by of any fee due to the Community;
3. Repeated conduct by the Resident that interferes with other residents' quiet enjoyment of the Community;
4. Persistent refusal by the Resident to comply with the reasonable written rules and regulations of the Community;
5. Material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure to qualify for residency or a material increase in the cost of providing the care and services provided under this Agreement, including with respect to those items referred to in this Agreement;
6. Material breach by the Resident of this Agreement. However, Providence Place shall not terminate the Agreement as provided herein until Providence Place has given the Resident

written notice of, and a reasonable opportunity to cure within a reasonable period, the conduct warranting the cancellation of this Agreement.

#### **7. Notice and Right to Cure after Occupancy.**

Providence Place shall not terminate the Agreement as provided herein until Providence Place provides the Resident a written notice of, and a reasonable opportunity to cure within a reasonable period, the conduct warranting the cancellation of the Agreement. Once the Resident has occupied the Residential Living Unit, Providence Place shall give the Resident notice in writing of any default by the Resident which may not involve the payment of money, and the Resident shall have thirty (30) days thereafter within which to correct such default. If the Resident corrects such default within such time, the Residential Lease Agreement shall not then be terminated. If the Resident fails to correct such default within such time, Providence Place may, at its sole option, terminate the Residential Lease Agreement at the expiration of the thirty (30) day period.

If the Resident corrects the default but in the future defaults again for the same cause, Providence Place may terminate the Residential Agreement without any option to cure.

#### **8. Remedies upon Termination.**

Upon notification of opportunity to cure any default as described in Section G of this Agreement, the Executive Director may, without further notice to the Resident and without further demand for amounts due, terminate this Agreement, suspend all services provided hereunder and enter the Residential Living Unit and remove all persons and property. The Resident hereby waives all demand and any and all service of notice in writing or otherwise, prescribed by any statute or any other law whatever, of intention to re-enter and waives all claims for damages that may be caused by Providence Place in re-entering and taking possession of the Residential Living Unit.

If the Resident shall abandon or vacate the Residential Living Unit before the termination of this Agreement, the Resident will pay Providence Place liquidated damages in an amount equal to the full amount of the Monthly Rental Fee due for the period of abandonment or vacation until a termination of this Agreement is affected as provided in Section (G). Pursuit of any of the above remedies shall not preclude pursuit of any other remedies herein provided or any other remedies given by law or equity. All of the remedies given to Providence Place in this document, and all rights and remedies given by law or equity shall be cumulative and concurrent.

### **H. New Second Occupant**

#### **1. Permitted Occupants.**

It is agreed that the Resident(s) named herein, and no other person(s) shall reside in or occupy the Residential Living Unit during the term of this Lease Agreement, except with the express prior written approval of the Executive Director.

#### **2. Occupancy by Two Residents.**

In the event that two residents occupy a Residential Living Unit under the terms of this Lease Agreement, upon the permanent transfer to the health center or the death of one of such residents, or in the event of the termination of this Lease Agreement with respect to one of such residents, such as in the case of death or divorce, the Lease Agreement shall continue in effect as to the remaining

or surviving Resident who shall have the option to retain the same Residential Living Unit or to move to a smaller Residential Living Unit (if available), in which event there will be no refund of the Security Deposit. The remaining or surviving Resident will thereafter pay the Monthly Rental Fee associated with the Residential Living Unit occupied by the Resident.

### **3. New Second Occupant/Sharing Occupancy after Admission.**

If a Resident, while occupying a Residential Living Unit, marries a person who is also a Resident, or wishes to share a Residential Living Unit with a person who is also a Resident, the two residents may, with the prior written consent of Providence Place, occupy the Residential Living Unit of either Resident and shall surrender the Residential Living Unit not to be occupied by them. No refund will be payable with respect to the Residential Living Unit surrendered, except for a refund of the Security Deposit less any damages beyond normal wear and tear and less the application fee. In the event that a Resident shall marry a person who is not a Resident of Providence Place or wish to share a Residential Living Unit with a person who is not a Resident (“Non-Resident”), the Non-Resident may become a Resident if such individual meets all of the then current requirements for entry to Providence Place; and enters into a then current version of the Residential Lease Agreement with the Corporation. If the Non-Resident does not meet the requirements of Providence Place for entry as a Resident, the Resident may terminate the Lease Agreement in the manner as provided in Section (G) with respect to a voluntary termination.

## **I. Moves and Transfers**

### **1. Change in Residential Living Units**

It is understood that Providence Place, in its sole discretion, has the right to make a change in Residential Living Unit assignments, if necessary, in order to best serve the needs of the Resident. A Resident may not transfer from one Residential Living Unit to another during the initial twelve (12) month term unless pre-approved in writing by the Executive Director. A non-refundable transfer fee and costs of refurbishing the vacated unit may apply. Approval is subject to the sole and absolute discretion of the Executive Director on a case-by-case basis.

### **2. Transfer to Westchester Harbour at Providence Place**

Resident agrees that Providence Place shall have the authority to determine when or if a Resident should be transferred from the Residential Living Unit to Westchester Harbour for assisted living services or to another assisted living facility operated by its affiliates.

Such determination shall be made based on the professional opinion of the Executive Director and shall be made only after consultation, to the extent practical, with the Resident, a Resident representative, the Resident's attending physician, as well as the Administrator at Westchester Harbour assisted living. Admission to such assisted living facility is contingent upon a Resident meeting the regulatory requirements for admission and upon bed availability. If there is no bed available at Westchester Harbour, or the Resident does not meet the admission requirements, Providence Place will make reasonable efforts to assist the Resident in finding placement at another community. The Resident will be given priority application access at other assisted living facilities operated by EveryAge or its affiliates, when applicable.

### **3. Transfer to Westchester Manor at Providence Place**

Resident agrees that Providence Place shall have the authority to determine when or if a Resident should be transferred from the Residential Living Unit to Westchester Manor for skilled nursing care. Such determination shall be made based on the professional opinion of the Executive Director and shall be made only after consultation, to the extent practical, with the Resident, a Resident representative, the Resident's attending physician, as well as the Administrator at Westchester Manor. Admission to Westchester Manor is contingent upon the Resident meeting the regulatory requirements for admission and upon bed availability. If there is no bed available at Westchester Manor, or the Resident does not meet the admission requirements, Providence Place will make reasonable efforts to assist the Resident in finding placement at another community. The Resident will be given priority application access at other skilled nursing facilities operated by EveryAge or its affiliates, when applicable.

### **4. Transfer to Other Health Care Facility**

If it is determined by the Executive Director that the Resident needs care beyond that which can be provided by Providence Place, Resident may be transferred to a hospital or other center or institution equipped to give such care, which care will be at the expense of Resident. Such transfer of Resident will be made only after consultation, to the extent possible, with Resident, a representative of Resident's family or the sponsor of Resident, and Resident's attending physician.

### **5. Permanent Transfers**

If a determination is made by Providence Place that any transfers are permanent in nature, the Resident agrees to surrender the Residential Living Unit. If Providence Place subsequently determines that the Resident can resume occupancy in any Residential Living Unit, the Resident shall have application priority to a comparable Residential Living Unit as soon as it would become available. The Resident will be obligated to pay rent for the Residential Living Unit until all personal belongings are removed from the Residential Living Unit.

## **J. Refunds**

Refunds of the Security Deposit will be issued as follows:

### **1. During the Rescission Period**

The Resident will receive a refund of the Security Deposit less the application fee, less any nonstandard costs incurred by Providence Place on behalf of the Resident and less any costs associated with damages beyond normal wear and tear.

### **2. After the Rescission Period and Prior to Occupancy**

The Resident will not receive a refund of the Security Deposit.

### **3. After the Rescission Period and Prior to First Twelve (12) Months**

The Resident will not receive a refund of the Security Deposit.

### **4. After First Thirteen (13) Months**

The Resident will receive a refund of the Security Deposit, less any money owed to Providence Place

for damages beyond normal wear and tear or any other charges or fees owed to Providence Place hereunder and less the application fee.

**5. Due to Death or Transfer to Higher Level of Care After Occupancy.**

The Resident will receive a full refund of the Security Deposit less the application fee, less any nonstandard costs incurred by Providence Place on behalf of the Resident and less any costs associated with damages beyond normal wear and tear.

**6. Due to Death or Transfer to High Level of Care Prior to Occupancy.**

The Resident will receive a full refund of the Security Deposit less the application fee and any nonstandard costs incurred by Providence Place on behalf of the Resident and less any costs associated with damages beyond normal wear and tear.

**K. Inability to Pay**

Resident acknowledges that if, at any time during the tenancy, they are unable to afford the monthly rent of the current unit, they agree to promptly notify Providence Place and will work cooperatively to transfer to a less expensive available unit within the property, should one be available, at Providence Place's discretion.

The Resident shall apply for any and all federal, state, and local grants and benefits for which the Resident may be entitled or eligible, and to apply any and all such grants and benefits toward the cost of the Resident's care at the community. The Resident's failure to do so will result in termination of the Residential Lease Agreement by the Corporation and release of its obligations hereunder.

Should the Resident become financially unable to pay the Monthly Rental Fee, or any other fees charged by the community, the administrative staff of the Corporation may assist the Resident in applying for funds needed to meet the charges for care.

Providence Place is a charitable, non-profit organization that aims not to terminate a Resident's stay solely due to their inability to pay the full Monthly Rental Fee or other charges outlined in the Residential Lease Agreement, provided that:

- (i) Providence Place's ability to maintain financial stability is not compromised, as judged solely by Providence Place;
- (ii) following the Residential Lease Agreement, the Resident has not jeopardized their own ability to meet financial commitments to Providence Place; and
- (iii) the Resident has applied for and provided documented reasons for requesting special financial consideration.

**L. Nature and Extent of Rights**

Resident's right to occupy the Residential Living Unit for a term of years exists unless terminated as provided for in the Residential Lease Agreement. Nothing contained herein shall be construed or intended to require that Providence Place care for the Resident for life, nor shall this Agreement be construed as a life-care contract.

## **M. Rights of Resident**

Signing of the Residential Lease Agreement and payment of the Security Deposit does not deliver title to real or personal property, and may not be assigned, transferred, inherited or devised. Any rights, privileges, benefits, or interests created by or under this Agreement shall be subordinated to any mortgage, deed of trust, or other security interests in real estate of Providence Place and to all amendments, modifications, replacements or refunding thereof.

Resident agrees to execute and deliver any document required by Providence Place or by the holder of any mortgage, deed of trust, or other interest to evidence or effect such subordination.

## **N. Alteration or Modification**

Notwithstanding any other provisions in this Agreement, Providence Place may alter or modify the Residential Living Unit to meet requirements of any statute, law or regulation of the Federal, State or local Government. Resident may not, without prior written consent of the Executive Director, make any alterations or modifications to the Residential Living Unit.

## **O. Use**

The Residential Living Unit shall be used for residential purposes only and shall not be used for business or professional purposes, nor in any manner in violation of any zoning or health ordinances.

## **P. Other Considerations**

### **1. Personal Belongings.**

Jewelry and personal possessions or effects brought to Providence Place by the Resident will remain the property of the Resident. The Resident is strongly encouraged to have a will providing for the disposition of his or her real and personal property and provision for proper burial at his or her own expense. Providence Place will not be liable for the cost of burial of the Resident. The costs of burial and related services shall be paid for by the Resident's estate, the Resident's relatives, or other agent designated by the Resident.

### **2. Liability of Providence Place.**

The death of the Resident will cancel any and all obligations or liability of Providence Place under the terms of this Residential Living Agreement.

### **3. Rights of Management.**

The absolute rights of management are reserved by Providence Place. Providence Place reserves the right to accept or reject any person for residency. The rights of the Resident do not include any right to participate in the management of Providence Place, to determine admissions or terms of admission of any other Resident, to alter common areas within Providence Place, or to make unapproved alterations to their Residential Living Unit. The Resident agrees to allow Providence Place, including its employees and agents, to enter the Residential Living Unit for purposes of housekeeping, repairs, maintenance, inspection, and in the event of an emergency.

**4. Relationships between Residents and Staff.**

Providence Place is built on mutual respect and instructs its staff to be cordial and helpful to the Resident. The relationship is to remain professional. Employees must not be delayed or deterred by the residents in the performance of their duties. Management is solely responsible for the supervision of staff. Complaints or requests for special assistance must be made to the appropriate supervisor. Giving gratuities or bequests to employees or employees' families is not permitted. The Resident will not employ Providence Place employees nor hire former Providence Place employees without the prior written consent of management.

**5. Resident Handbook.**

The Resident is given, as an Addendum to the Residential Lease Agreement, a current copy of the Resident Handbook. These documents will change from time to time, but the Resident Handbooks are the procedural documents for those occupying Residential Living Units at the community.

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## Section IV: Services

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### **Diverse and Complete Community**

**Providence Place** is a continuing care retirement community providing support services and structural features to help persons live as independently as possible for as long as possible. The campus is designed to have three major areas with a specific lifestyle in mind. The Village, Westchester Harbour (Assisted Living), and Westchester Manor (Health Center) cover a wide spectrum of living arrangements to accommodate a diversity of lifestyles on a single campus.

### **The Village**

The Residential Living Units in the Village consist of 154 one- or two-bedroom apartments, and six patio homes. Independence and a self-sufficient lifestyle are what the Corporation strives to promote in all areas of residential living.

#### **1. Studio Apartment**

A Residential Living Unit approximately 314 square feet in size including living, sleeping and kitchen areas.

#### **2. One-Bedroom Apartment**

A Residential Living Unit approximately 442 to 717 square feet in size with a living/dining area, one large bedroom, a kitchen equipped with standard appliances, and a full bath.

#### **3. Two-Bedroom Apartment**

A Residential Living Unit approximately 579 to 1215 square feet in size with a living/dining area, one large bedroom and one smaller bedroom, a kitchen equipped with standard appliances, and one or two full baths.

#### **4. Villa (Cluster) Home**

A Residential Living Unit approximately 1365 to 1725 square feet in size with a living/dining area, two or three bedrooms, two bathrooms, a kitchen equipped with standard appliances, a washer and dryer, storage area, and a garage.



## **Westchester Harbour at Providence Place**

A person wanting or needing more support services than can reasonably be provided in the Village may choose to live in Westchester Harbour at Providence Place, which is a licensed assisted living facility. A person may enter the community at the Assisted Living level by completing all of the necessary steps for admission and paying the required fees. Accommodations and services at Westchester Harbour shall be made available to residents on a priority basis, if available, subject to the terms of the Residential Lease Agreement and to all admissions requirements imposed by applicable laws and regulatory procedures. In the event Westchester Harbour does not have any available beds, the Resident will be assisted by Providence Place staff in finding another facility.

Assistance in routine activities of daily living such as bathing, personal hygiene and medication administration are provided with staff available on-site twenty-four hours a day. Other services such as transportation, salon services, guest meals, etc., are available on a fee-for-service basis. Westchester Harbour at Providence Place has ninety (90) licensed beds of which thirty-two (32) are for memory support.

## **Westchester Manor at Providence Place**

The objective of the health center is to provide quality long-term care. The types of living accommodations provided are based on the Resident's physical needs. A person may enter the community at the health center level by completing all of the necessary steps for admission and paying the required fees. Residents are provided quality healthcare in the onsite health center if and when it is needed. Westchester Manor at Providence Place is licensed for 129-beds. Health care accommodations and services at Westchester Manor will be made available to residents on a priority basis, as available, subject to the terms of the Residential Lease Agreement and to all admissions requirements imposed by applicable laws and regulatory procedures. In the event there is no availability, facility staff will assist with finding another health care center. The level of living provided by the health center is:

### **1. Nursing Services**

Long-term nursing, memory support and short-term rehabilitative services are available on campus. The health center is Medicare and Medicaid certified, offering both private and companion semiprivate suites. Residents are cared for by licensed and certified nursing professionals under the supervision of a Medical Director and a licensed Nursing Home Administrator.

### **2. Other Services**

Westchester Manor contracts with a licensed physician (therein referred to as the "Medical Director") to assist in establishing and implementing health care policies and practices at Westchester Manor and to perform such other duties as described in this document or prescribed by Providence Place. Expenses for Resident-related physician services are the responsibility of the Resident. Westchester Manor also employs licensed personnel to perform all such duties prescribed by the Medical Director within such person's licensed authority.

The Director of Nursing, Social Worker, or designee will make available, or arrange for other health care services for the Resident, including but not limited to physical therapy, occupational therapy, rehabilitation treatments and equipment, ambulance services, pharmacy services, and physician

services. All residents at Providence Place are responsible for their pharmacy copayments. Charges for these health care services will be in addition to the Monthly Rental Fee or health center daily rates charged.

Other services such as transportation, salon services, guest meals, etc., are available on a fee-for-service basis.

**3. Temporary Stay.**

If a temporary stay at Westchester Harbour or Westchester Manor is necessary, the Resident will continue to pay the Monthly Rental Fee for their Residential Living Unit in the Village.

**4. Permanent Stay.**

If a permanent move to Westchester Harbour or Westchester Manor is made, the Resident will continue paying the Monthly Rental Fee until the Residential Living Unit is vacated including the return of the keys to the Residential Living Unit.

## Section V:

### **Fees and Refund Schedules**

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#### **A. One-Time Application Fee.**

In consideration for refurbishment of the Apartment at the conclusion of the Residential Lease Agreement, and certain administrative costs associated with the initiation and maintenance of the Residential Lease Agreement, the Resident agrees to pay a one-time Application Fee as published in the current ancillary fee schedule. Such fee is due upon execution of the Residential Lease Agreement and is non-refundable. Such fee will be deducted from the Security Deposit.

#### **B. Security Deposit.**

The Resident will pay a Security Deposit equal to one month's rent at the time of signing the Residential Lease Agreement. Upon termination of the Residential Lease Agreement at the end of the rental agreement term, the Resident will receive a refund of the Security Deposit, less any money owed to Providence Place for damages beyond normal wear and tear or any other charges or fees owed to Providence Place hereunder and less the application fee.

#### **C. Damages Beyond Normal Wear and Tear.**

The Resident understands that the one-time Application Fee covers only normal wear and tear. Resident agrees to immediately pay to Providence Place a sum equal to the cost of repairs beyond normal wear and tear, non-payment of rent, costs associated with removal or storage of the Resident's property, or any costs associated with any breach of the Residential Lease Agreement by the Resident.

#### **D. Monthly Rental Fee**

Payment of a Monthly Rental Fee provides a Resident certain monthly service as provided in the disclosure statement and Residential Lease Agreement(s). All other services are provided on an additional fee-for-service basis. Commencing on the initial date of occupancy and continuing throughout the entire term of the Residential Lease Agreement, the Resident agrees to pay Providence Place a Monthly Rental Fee. The Rent may be prorated on a per day rate and calculated based on the number of days in the calendar month in which the prorated amount is due/owed. Otherwise, the Resident must pay the rent on or before the first (1st) day of each month. Rent is not considered accepted, if the payment/ACH is rejected, does not clear, or is stopped for any reason.

Providence Place may furnish a monthly statement to the Resident for the Monthly Rental Fee and/or all chargeable items incurred by the Resident. If the Resident fails to pay the Monthly Rental Fee in full before the end of the 5th day after it's due, the Resident will be assessed a late charge per the fee schedule, Providence Place shall have the right to adjust such Monthly Rental Fees from time to time to reflect changes in costs.

#### **E. Casualty Loss, Condemnation**

##### **1. Total Destruction.**

If the Resident's Residential Living Unit is totally destroyed or damaged by fire or other casualty not occurring through fault or negligence of Providence Place or those employed by or acting for

Providence Place, that the same cannot be repaired and restored within a period of ninety (90) days, the Residential Lease Agreement shall absolutely cease and terminate, and the Monthly Rental Fee shall abate for the balance of the term as of the date of the casualty.

**2. Partial Destruction.**

If the damage caused as described in Section E (1) is only partial, so that the Resident's Residential Living Unit can be reasonably restored within a period of ninety (90) days to its condition prior to the partial destruction, Providence Place may, at its option, terminate the Residential Lease Agreement, provide alternative temporary housing, or restore Providence Place to such condition reserving the right to enter the Residential Living Unit for that purpose. In any event, the Monthly Rental Fee may be reduced during the time Providence Place is in possession, taking into account the extent that the Residential Living Unit is rendered untenable and the duration of Providence Place's possession.

**3. Condemnation.**

If Providence Place is taken or condemned for a public or quasi-public use or a deed in lieu is given, in whole or in part, so that Providence Place can no longer be operated reasonably in the opinion of Providence Place's Board of Directors, the Residential Lease Agreement shall terminate as the date title shall rest in the condemner, and the Monthly Rental Fee shall abate. In the event of condemnation, the Resident waives all claims against Providence Place, and the Resident agrees that he/she will not make or be entitled to any claim or recovery against the condemning authority.

**F. Charges in Other Levels of Living**

**Charges at Westchester Harbour (Assisted Living).**

Charges incurred at Westchester Harbour will be billed at the published per diem rate for the accommodations occupied by the Resident, plus other charges for other services not included in such per diem rate.

**Charges at Westchester Manor (Health Center).**

Charges incurred at Westchester Manor will be billed at the published per diem rate for the accommodation occupied by the Resident, plus charges for other services not included in such per diem rate.

**Charges for Care in Other Health Care Facilities.**

Should the Resident require care that requires transfer to another health care facility, all expenses which will result from such transfer and related care shall be borne entirely by the Resident.

**G. Additional Charges.**

Providence Place will provide a list of additional services to the Resident. The Resident agrees to pay any and all additional amounts which may become due under the Residential Lease Agreement and any and all charges for additional or optional services provided to the Resident.

## H. Indebtedness

To the extent allowed by applicable law, Providence Place and EveryAge affiliates shall have a preferred claim against the estate of the Resident for any care furnished or for any funds which may be advanced for the residency or care of the Resident which may remain unpaid, and any personal property or real estate which the Resident owns shall stand as security for and is hereby pledged to the payment of any and all claims which the Resident might have to exemption and agrees that these personal assets shall be liable for any debts owed Providence Place and other EveryAge affiliates by the Resident.

## I. Providence Place, LLC Fee Structures:

The following outlines the fee structures. All fees became effective on October 1.

### 1. Westchester Manor at Providence Place (Health Center)

Daily Fees	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
Semi-Private Skilled Nursing	282	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Skilled Nursing	314	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*(Fees are subject to change with advance notice.)*

### 2. Westchester Harbour at Providence Place (Assisted Living)

Monthly Fees	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
<b>Assisted Living Room</b>										
Semi-Private Assisted Living	\$ 4,480	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Assisted Living	\$ 5,670	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Memory Care Assisted Living Room</b>										
Semi-Private Memory Care Assisted Living	\$ 5,760	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Memory Care Assisted Living	\$ 6,525	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Private Suite Charges</b>										
Private Suite Add-On Charge for Assisted Living	\$ 1,190	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Private Suite Add-On Charge for Memory Care	\$ 765	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*(Fees are subject to change with advance notice.)*

### 3. Westchester Village I at Providence Place (Independent Living)

Westchester Village I 1765 Westchester Dr., High Point, NC 27262	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
Square Footage	Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent	
<b>One Bedroom / One Bath</b>										
314 (Studio)	\$ 989	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
442	\$ 1,049	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
539	\$ 1,359	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
717	\$ 1,873	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Two Bedroom / One Bath</b>										
579	\$ 1,479	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
599	\$ 1,575 – Balcony	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
643	\$ 1,670	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Two Bedroom / Two Bath</b>										
875	\$ 1,979	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
958	\$ 2,086	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
985	\$ 2,169	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
992	\$ 2,241	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,002	\$ 2,330	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,083	\$ 2,461	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,147	\$ 2,633 – Balcony	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,150	\$ 2,628	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(Fees are subject to change with advance notice.)

### 4. Westchester Village II at Providence Place (Independent Living)

Westchester Village II 1775 Westchester Dr., High Point, NC 27262	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
Square Footage	Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent	
<b>One Bedroom / One Bath</b>										
442	\$ 1,058	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
516	\$ 1,062	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
539	\$ 1,372	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
582	\$ 1,672	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Two Bedroom / One Bath</b>										
643	\$ 1,685	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
659	\$ 1,726	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
708	\$ 1,866	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*Westchester Village II continued next page:

**Westchester Village II at Providence Place (Independent Living) Continued**

<b>Westchester Village II</b> 1775 Westchester Dr., High Point, NC 27262	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
<b>Square Footage</b>	Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent	
<b>Two Bedroom / Two Bath</b>										
875	\$ 1,998	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,000	\$ 2,286	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,110	\$ 2,548	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,147	\$ 2,633 – Balcony	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,158	\$ 2,652	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,185	\$ 2,714	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,215	\$ 2,814	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*(Fees are subject to change with advance notice.)*

**5. Villa (Cluster) Homes**

<b>Villas</b>										
<b>Villa Number</b>	Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent		Monthly Rent	
	24/25	Average Increase	23/24	Average Increase	22/23	Average Increase	21/22	Average Increase	20/21	Average Increase
616A	\$ 2,814	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
616B	\$ 2,287	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
616C	\$ 2,230	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
620A	\$ 2,230	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
620B	\$ 2,287	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
620C	\$ 2,814	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*(Fees are subject to change with advance notice.)*

There is a fee schedule published annually to cover such items as transportation, meals, housekeeping, etc. This list is available upon request and strives to provide services for residential living persons as they are needed and at a reasonable cost. (See Exhibit 1)

Section VI:

**Financial Information and Five -Year Projection Statement (EveryAge)**

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**Historical and Forecasted Financial Statements**

Year Ending September 30, 2024 (Forecast)

Year Ending September 30, 2025 (Forecast)

Year Ending September 30, 2026 (Forecast)

Year Ending September 30, 2027 (Forecast)

Year Ending September 30, 2028 (Forecast)



**EVERYAGE**

**PROJECTED COMBINED FINANCIAL STATEMENTS  
AND INDEPENDENT ACCOUNTANTS' REPORT**

**FOR THE YEARS ENDING SEPTEMBER 30, 2024  
THROUGH SEPTEMBER 30, 2028**

**EVERYAGE  
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FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
EveryAge  
Newton, North Carolina

Management is responsible for the accompanying projected combined financial statements of EveryAge (the "Organization"), which comprise the projected combined balance sheets as of September 30, 2024, 2025, 2026, 2027 and 2028, and the related projected combined statements of operations and changes in net assets, and cash flows for the years then ending, and the related summary of significant projection assumptions and accounting policies in accordance with the guidelines for presentation of a financial projection established by the American Institute of Certified Public Accountants ("AICPA"). We have performed a compilation engagement in accordance with the 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 projected combined financial statements 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, nor provide any form of assurance on these projected combined financial statements or the assumptions. Furthermore, even if the hypothetical assumptions as noted in Management's Summary of Significant Projection Assumptions and Accounting Policies on page 6 (the "Hypothetical Assumptions") occurs as projected, the projected results may not be achieved, as 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.

The accompanying projection information and this report are intended solely for the information and use of management, the Board of Directors, and the North Carolina Department of Insurance (pursuant to the requirements of North Carolina General Statutes, Chapter 58, Article 64 and is included in the Organization's disclosure statement filing), and is not intended to be and should not be used, by anyone other than these specified parties.

As discussed in the summary of accounting policies, accounting principles generally accepted in the United States of America require that the financial statements for affiliates meeting certain criteria be consolidated with the parent organization's financial statements. For purposes of this projection, the financial statements of multiple other affiliates which should be included with EveryAge's consolidated financial statements under accounting principles generally accepted in the United States of America, have been excluded from the projected financial statements. The effects of this departure from accounting principles generally accepted in the United States of America on the projected financial position, results of operations and cash flows have not been determined.

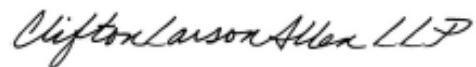
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(1)

Board of Directors  
EveryAge

The accompanying supplemental information beginning on page 23 is presented for purposes of additional analysis and is not a required part of the projection. Such information is the responsibility of Management. The supplemental information was subject to our compilation engagement. We have not examined or reviewed the supplemental information and do not express an opinion, a conclusion, or provide any assurance on such information.

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



CliftonLarsonAllen LLP

Charlotte, North Carolina  
February 23, 2024

**EVERYAGE  
PROJECTED COMBINED BALANCE SHEETS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2026	2028	2027	2028
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 1,229	\$ 1,272	\$ 1,316	\$ 1,362	\$ 1,409
Accounts Receivable	2,286	2,409	2,495	2,582	2,674
Allowance for Credit Losses	(272)	(272)	(272)	(272)	(272)
Other Receivables	586	620	643	665	689
Due from Related Parties, Current	26,290	28,495	32,096	36,246	40,498
Other Current Assets	794	823	852	881	912
<b>Total Current Assets</b>	<b>30,913</b>	<b>33,347</b>	<b>37,130</b>	<b>41,464</b>	<b>45,910</b>
Due from Related Parties, Less Current Portion	228	228	228	228	228
Assets Limited as to Use					
Statutory Operating Reserve	15,412	17,424	17,966	18,519	19,122
Investments	47,877	52,467	58,651	64,816	71,061
Trustee Deposit Accounts Required by Debt Agreement	7,283	7,283	7,283	7,283	7,283
Residents' Funds	32	32	32	32	32
Bond Fund	178	222	221	227	229
<b>Total Assets Limited as to Use</b>	<b>71,010</b>	<b>77,656</b>	<b>84,381</b>	<b>91,105</b>	<b>97,955</b>
Equity Investment	1,326	1,326	1,326	1,326	1,326
Fair Value of Interest Swap Agreements	8,430	8,430	8,430	8,430	8,430
Other Noncurrent Assets	1,203	1,203	1,203	1,203	1,203
Property and Equipment, Net					
Property and Equipment	152,199	188,122	190,858	193,689	196,619
Construction in Progress	31,791	-	-	-	-
Less: Accumulated Depreciation	(88,842)	(94,604)	(101,443)	(108,561)	(115,966)
<b>Property and Equipment, Net</b>	<b>95,148</b>	<b>93,518</b>	<b>89,415</b>	<b>85,128</b>	<b>80,653</b>
<b>Total Assets</b>	<b>\$208,030</b>	<b>\$216,480</b>	<b>\$221,886</b>	<b>\$228,668</b>	<b>\$236,477</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Current Portion of Long-Term Debt	546	740	1,175	1,290	1,370
Accounts Payable	1,230	1,272	1,317	1,363	1,411
Accrued Salaries and Related Benefits	3,327	3,444	3,565	3,688	3,818
Other Current Payables	1,343	1,343	1,343	1,343	1,343
Due to Affiliates	22,437	24,642	28,243	32,393	36,645
<b>Total Current Liabilities</b>	<b>28,882</b>	<b>31,441</b>	<b>35,643</b>	<b>40,077</b>	<b>44,587</b>
<b>LONG-TERM LIABILITIES</b>					
Long-Term Debt, Net of Current Portion	99,359	100,670	99,495	98,205	96,835
Deferred Financing Costs	(1,490)	(1,423)	(1,356)	(1,289)	(1,222)
Unamortized Bond Premium	2,381	2,267	2,153	2,039	1,925
Long-Term Debt, Net of Current Portion	100,250	101,514	100,292	98,955	97,538
Refundable Entrance Fees	6,878	7,238	7,627	8,042	8,600
Deferred Revenue from Advance Fees	21,414	22,379	23,328	24,245	25,217
<b>Total Long-Term Liabilities</b>	<b>128,542</b>	<b>131,131</b>	<b>131,247</b>	<b>131,242</b>	<b>131,355</b>
<b>Total Liabilities</b>	<b>\$157,424</b>	<b>\$162,572</b>	<b>\$166,890</b>	<b>\$171,319</b>	<b>\$175,942</b>
<b>NET ASSETS</b>					
Net Assets Without Donor Restrictions	50,591	52,893	54,980	57,322	59,520
Net Assets With Donor Restrictions	15	15	15	15	15
<b>Total Net Assets</b>	<b>50,606</b>	<b>52,908</b>	<b>54,995</b>	<b>57,337</b>	<b>59,535</b>
<b>Total Liabilities and Net Assets</b>	<b>\$208,030</b>	<b>\$216,480</b>	<b>\$221,886</b>	<b>\$228,668</b>	<b>\$236,477</b>

See Independent Accountants' Compilation Report and  
Summary of Significant Projection Assumptions and Accounting Policies  
(3)

**EVERYAGE**  
**PROJECTED COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Health Care	\$ 30,056	\$ 31,025	\$ 32,085	\$ 33,181	\$ 34,316
Pavilion/Assisted Living	1,991	2,041	2,113	2,187	2,263
Residential Living	11,240	12,748	15,130	16,140	16,732
Amortization of Advance Fees	3,679	3,789	3,903	4,020	4,141
Home Care	1,102	1,140	1,181	1,222	1,265
Management Fee Income	3,099	3,220	3,331	3,447	3,513
Other Operating Revenue	1,306	1,666	1,656	1,548	1,603
<b>Total Revenue, Gains, and Other Support</b>	<b>52,483</b>	<b>55,629</b>	<b>59,399</b>	<b>61,746</b>	<b>63,633</b>
<b>EXPENSES</b>					
<b>Health Services</b>					
Health Care	13,911	14,423	14,975	15,510	16,053
Medical Records	124	129	134	139	144
Personnel and Employee Benefits	9,879	10,225	10,583	10,953	11,336
Laundry	303	313	324	336	348
Social Services	250	259	268	277	287
Activities	400	414	428	443	459
Spiritual Life	149	154	159	165	171
Housekeeping	1,269	1,327	1,398	1,453	1,504
Plant Maintenance	3,952	4,181	4,506	4,704	4,868
Pavilion/Assisted Living Clinic	851	881	912	944	977
Resident Services	112	116	120	124	129
Resident Services	215	223	231	239	247
Transportation	140	145	150	155	160
Dietary	4,164	4,309	4,459	4,615	4,777
Wellness Center	158	164	170	176	182
Beauty Shop	25	26	27	28	29
Day Care	324	335	347	359	372
Home Care	955	988	1,023	1,059	1,097
<b>General and Administrative:</b>					
Administrative	5,583	5,874	6,317	6,592	6,823
Marketing	757	783	811	839	869
Staff Development	142	147	152	157	162
Depreciation	5,281	5,752	6,839	7,118	7,405
Real Estate Taxes	15	16	17	18	19
Interest Expense	2,146	2,775	3,494	3,461	3,426
Interest - Amortization of Issuance Costs	67	67	67	67	67
Interest - Amortization of Bond Premium	(114)	(114)	(114)	(114)	(114)
Insurance	1,013	1,057	1,110	1,153	1,194
Credit Loss Expense	178	185	192	199	206
Other Operating Expenses	557	616	717	761	788
<b>Total Operating Expenses</b>	<b>52,806</b>	<b>55,780</b>	<b>59,816</b>	<b>61,930</b>	<b>63,985</b>
<b>Operating Loss</b>	<b>(323)</b>	<b>(151)</b>	<b>(417)</b>	<b>(185)</b>	<b>(352)</b>
<b>Nonoperating Income</b>					
Contribution Income (Expense)	(38)	130	130	130	130
Other Nonoperating Revenue	49	-	-	-	-
Investment/Interest Income	3,198	2,323	2,374	2,397	2,420
Net Assets Released from Restrictions	-	-	-	-	-
<b>Net Nonoperating Income</b>	<b>3,209</b>	<b>2,453</b>	<b>2,504</b>	<b>2,527</b>	<b>2,550</b>
<b>Excess of Revenues Over Expenses and Change in Net Assets Without Donor Restrictions</b>	<b>2,886</b>	<b>2,302</b>	<b>2,087</b>	<b>2,342</b>	<b>2,198</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	-	-	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>2,886</b>	<b>2,302</b>	<b>2,087</b>	<b>2,342</b>	<b>2,198</b>
<b>Net Assets, Beginning of Year</b>	<b>47,720</b>	<b>50,606</b>	<b>52,908</b>	<b>54,996</b>	<b>57,337</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 50,606</b>	<b>\$ 62,908</b>	<b>\$ 64,995</b>	<b>\$ 67,337</b>	<b>\$ 69,535</b>

See Independent Accountants' Compilation Report and  
Summary of Significant Projection Assumptions and Accounting Policies  
(4)



**EVERYAGE**  
**PROJECTED COMBINED STATEMENTS OF CASH FLOWS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ 2,886	\$ 2,302	\$ 2,087	\$ 2,342	\$ 2,198
Adjustments to Reconcile Change in Net Assets to Net Cash Flows Provided by Operating Activities:					
Depreciation	5,281	5,762	6,839	7,118	7,405
Amortization of Deferred Issue Costs	67	67	67	67	67
Amortization of Bond Premium, Net	(114)	(114)	(114)	(114)	(114)
Amortization of Advance Fees	(3,679)	(3,789)	(3,903)	(4,020)	(4,141)
Advance Fees Received	2,522	2,291	2,315	2,324	2,421
Accounts Receivable	500	(123)	(86)	(87)	(92)
Other Receivables	(55)	(34)	(23)	(22)	(24)
Other Current Assets	(165)	(29)	(29)	(29)	(31)
Increase (Decrease) in Current Liabilities:					
Accounts Payable	(656)	42	45	46	48
Accrued Salaries and Related Benefits	392	117	121	123	130
Other Current Payables	(70)	-	-	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>6,909</b>	<b>6,492</b>	<b>7,319</b>	<b>7,748</b>	<b>7,867</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Change in Assets Limited as to Use	724	(2,056)	(541)	(559)	(605)
Purchases of Property and Equipment	(29,228)	(3,252)	(2,736)	(2,831)	(2,930)
Capitalized Interest	(925)	(880)	-	-	-
Change in Due to Affiliates	-	-	-	-	-
Purchase of Investments	(6,403)	(4,590)	(6,184)	(6,165)	(6,245)
<b>Net Cash Used in Investing Activities</b>	<b>(35,832)</b>	<b>(10,778)</b>	<b>(9,461)</b>	<b>(9,555)</b>	<b>(9,780)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Advanced Fees Refunds	(1,522)	(1,431)	(1,374)	(1,288)	(1,248)
Borrowings of Long-Term Debt	27,554	2,051	-	-	-
Principal Payments on Long-Term Debt	(1,960)	(545)	(740)	(1,175)	(1,290)
Refundable and First Generation Advance Fees Received	4,686	4,254	4,300	4,316	4,498
<b>Net Cash Provided by Financing Activities</b>	<b>26,758</b>	<b>4,329</b>	<b>2,186</b>	<b>1,853</b>	<b>1,960</b>
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(165)</b>	<b>43</b>	<b>44</b>	<b>46</b>	<b>47</b>
<b>Cash, Cash Equivalents, and Restricted Cash, Beginning of Year</b>	<b>1,394</b>	<b>1,229</b>	<b>1,272</b>	<b>1,316</b>	<b>1,362</b>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR</b>	<b>\$ 1,229</b>	<b>\$ 1,272</b>	<b>\$ 1,316</b>	<b>\$ 1,362</b>	<b>\$ 1,409</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>					
Cash Paid for Interest and Capitalized Interest	\$ 3,061	\$ 3,645	\$ 3,484	\$ 3,451	\$ 3,416
<b>Supplemental Disclosure of Cash, Cash Equivalents and Restricted Cash</b>					
Cash and Cash Equivalents	\$ 1,229	\$ 1,272	\$ 1,316	\$ 1,362	\$ 1,409
Restricted Cash	-	-	-	-	-
<b>Total Cash, Cash Equivalents and Restricted Cash</b>	<b>\$ 1,229</b>	<b>\$ 1,272</b>	<b>\$ 1,316</b>	<b>\$ 1,362</b>	<b>\$ 1,409</b>

See Independent Accountants' Compilation Report and  
Summary of Significant Projection Assumptions and Accounting Policies.

(5)

## Summary of Significant Projection Assumptions and Accounting Policies

### BASIS OF PRESENTATION

Management's financial projection (the "Projection") presents to the best of the knowledge and belief of management ("Management") of EveryAge (the "Organization"), the expected financial position, results of operations and cash flows as of September 30, 2024, 2025, 2026, 2027, and 2028 and for each of the years then ending (the "Projection Period"). All significant intra-entity activity has been eliminated upon combination.

Management's Projection has been prepared for the specific purpose of presenting the combined projected balance sheets, statements of operations and change in net assets, and projected statements of cash flows of

- EveryAge - Home Office;
- EveryAge - Abernethy Laurels;
- EveryAge - Piedmont Crossing; and
- EveryAge – BellaAge.

This presentation is not intended to present the projected consolidated statements of EveryAge, which would include other affiliates. Accordingly, the projection is not intended to be a presentation in conformity with U.S. generally accepted principles since it excludes the other affiliates.

A projection, although similar to a forecast, is a presentation of prospective financial information that is subject to one or more hypothetical assumptions. Management has included assumptions that are considered to be "Hypothetical Assumptions" as defined by the American Institute of Certified Public Accountants' Guide for Prospective Financial Information. A Hypothetical Assumption is defined as follows: "An assumption used in a financial projection or in a partial presentation of projected information to present a condition or course of action that is not necessarily expected to occur, but is consistent with the purpose of the presentation."

Management's Hypothetical Assumption is as follows:

- The BellaAge project addition is constructed, filled and operated as described hereinafter; and
- Management is able to achieve the projected operating revenue inflationary rate increases and operating expense inflationary increases as described hereinafter.

Management's purpose for preparing this financial Projection is for the use of Management, the Board of Directors, and for inclusion in Management's Disclosure Statements in accordance with Chapter 58, Article 64 of the North Carolina General Statutes and is not intended to be and should not be used, by another other than these specified parties. The Projection reflects management's judgment as of February 23, 2024, the date of this Projection, of the expected conditions and its expected course of actions. The assumptions disclosed herein are those that Management of EveryAge believes are significant to the projected combined financial statements. Furthermore, even if the Hypothetical Assumptions were to occur, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. Management does not intend to revise this Projection to reflect changes in present circumstances or the occurrence of unanticipated events.

Unless otherwise noted, references to time periods used in this report refer to the fiscal year of EveryAge which ends on September 30.



## **Summary of Significant Projection Assumptions and Accounting Policies**

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### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Background**

EveryAge is a not-for-profit organization that owns and operates a variety of senior living communities in both North Carolina and Virginia.

EveryAge owns and operates the following continuing care retirement communities in North Carolina consisting of residential living units, assisted living units and nursing facilities providing adult care and intermediate and skilled nursing care:

- Abernethy Laurels in Newton, North Carolina, a licensed Continuing Care Retirement Community ("CCRC");
- Piedmont Crossing in Thomasville, North Carolina, a CCRC; and
- EveryAge, through BellaAge Hickory, LLC ("BellaAge") which is a nonprofit organization which was incorporated on December 12, 2022, is developing an independent living rental facility. BellaAge is a planned new independent living unity community in North Carolina with construction beginning in 2023. Construction is expected to take approximately 18 months to complete. BellaAge is not planned to be a licensed CCRC.

#### **Summary of Significant Accounting Policies**

##### **Principles of Combination**

The combined financial statements include the financial statements of EveryAge and BellaAge. All material intercompany accounts and transactions have been eliminated in the combination.

Accounting principles generally accepted in the United States of America require that the financial statements for affiliates meeting certain criteria be consolidated with the parent organization's financial statements. For purposes of this projection, the financial statements of multiple other affiliates which should be included with EveryAge's consolidated financial statements under accounting principles generally accepted in the United States of America, have been excluded from the projected financial statements. The effects of this departure from accounting principles generally accepted in the United States of America on the projected financial position, results of operations and cash flows have not been determined.

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

The preparation of combined financial statements in conformity 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 date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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## **Summary of Significant Projection Assumptions and Accounting Policies**

### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Cash Equivalents**

The Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Organization excludes from cash and cash equivalents assets limited as to use.

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

Assets limited as to use primarily include the operating reserves required by State statute, and assets held by trustees under indenture agreements and designated assets set aside by the Board of Directors for future capital improvements, to the extent funds are available, over which the Board retains control and may, at its discretion, subsequently use for other purposes.

#### **Investments**

Investments held are reported at fair value and are included in assets limited as to use as they are considered board designated. Fair value is 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. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in nonoperating income. Donated investments are stated at fair value at the date of the gift. Investment expenses and fees are netted with net realized gains on investments.

#### **Assets Limited as to Use – 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 retirement communities licensed in North Carolina. The operating reserve must be an amount at least equal to 25% or 50% of operating expenses (net of depreciation and amortization) plus principal (net of debt service reserve funds) for the projected years ending for those facilities depending on occupancy levels of each facility.

#### **Accounts Receivable**

Accounts receivable are reported net of an allowance for credit losses to represent the Company's estimate of expected losses at the balance sheet date. The adequacy of the Company's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary.

Management has projected an allowance for expected credit loss based on historical credit losses and estimated future credit losses.

The Organization has projected write offs of accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to credit loss expense (previously bad debt expense).

#### **Property and Equipment**

Property and equipment are recorded at cost, net of accumulated depreciation. Donated property and equipment are recorded at their estimated fair value on the date of receipt. Interest costs incurred on

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## **Summary of Significant Projection Assumptions and Accounting Policies**

### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

borrowed funds during the period of construction are capitalized as a component of the cost of acquiring those assets. The Organization capitalizes property and equipment with an estimated useful life of greater than one year and a cost of more than \$2,000.

Depreciation is computed using the straight-line method based on the following estimated useful lives:

Land Improvements	10 to 20 Years
Buildings and Improvements	30 to 40 Years
Furniture, Fixtures, and Equipment	5 to 15 Years
Vehicles	5 Years

The Organization periodically assesses the value of its long-lived assets and evaluates such assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. For assets to be held and used, impairment is determined to exist if estimated future cash flows, undiscounted and without interest charges, are less than the carrying amount. For assets to be disposed of, impairment is determined to exist if the estimated net realizable value is less than the carrying amount.

The Organization reports contributions of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long these assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

#### **Deferred Costs**

Deferred financing costs relating to the permanent financing of the facilities have been deferred and are being amortized over the life of the bonds using the straight-line method that approximates the effective interest method.

#### **Resident Escrows**

If a resident should move into the health care unit and vacate the residential living unit, the amount of any refund to which the resident would be entitled is set aside and held by EveryAge for use by the resident to pay for necessary health care expenses. Once a permanent move is made and the residential living unit is available for remarketing, the resident may draw against the remaining residency refund to pay health care costs. A resident who does not live in a residential living unit for a period of 180 days or more shall be deemed to have made a permanent move.

A resident drawing from the residency refund to pay for health care costs shall, in agreement with the Center Executive, determine the withdrawal amount. This amount shall not exceed \$1,500 per month.

In case of financial hardship, withdrawal of more than \$1,500 per month may be requested by the resident. The resident must submit financial information sufficient to prove financial need. Such withdrawals will be allowed upon approval by the senior management of the Organization.

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## **Summary of Significant Projection Assumptions and Accounting Policies**

### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Advance Deposits**

The Organization may collect up to 10% of the advance fees described below as a deposit on unoccupied units. Once the unit becomes occupied, these fees are transferred to deferred revenue.

#### **Advance Fees**

Deferred revenue from advance fees represents payments made by a resident in exchange for the use and privileges of the community for life or until termination of the residency agreement.

Contracts currently offered to EveryAge residents are a fully declining refund contract and a 50% refundable contract.

The nonrefundable portion of these fees is amortized into income on a straight-line basis over the estimated remaining life, actuarially adjusted, of each resident. The estimated amount of advance fees that is expected to be refunded to current residents under terms of the contracts are classified as refundable advance fees. Refunds are made to residents upon re-occupancy of the unit unless the resident has chosen to transfer their remaining balance into escrow as described above. Any unrecognized deferred revenue, less any related refund, at the date of termination of the contract is recorded as income in the period the termination of the contract occurs.

#### **Interest Rate Swap Agreement**

The Organization uses interest rate swap agreements to manage risks related to interest rate movements. The Organization's interest rate risk strategy is to pay-fixed and receive-variable interest rate swaps. The combination of these swaps and variable-rate bonds creates synthetic fixed-rate debt. The use of synthetic fixed-rate debt has the ability to lower the Organization's borrowing costs associated with the issuance of traditional fixed-rate bonds. The Organization's interest rate swap agreements have not been designated as hedging transactions and are reported at fair value.

Management has not projected changes in the underlying value of the swap agreements.

#### **Net Assets**

The following classification of net assets is presented in the accompanying combined financial statements:

*Without Donor Restrictions* – All revenue not restricted by donors, unrestricted contributions designated by the board and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

*With Donor Restrictions* – All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in donor restricted net assets. The investment income arising from endowment funds, if any, are accounted for in accordance with donor stipulations. 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.

#### **Excess (Deficit) of Revenues Over (Under) Expenses**

The combined statements of operations and changes in net assets reflect the excess (deficit) of revenues over (under) expenses. Changes in net assets without donor restrictions that are excluded from the excess (deficit) of revenues over (under) expenses, consistent with industry practice, would

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## ***Summary of Significant Projection Assumptions and Accounting Policies***

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### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

include permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions which by donor restrictions were used for acquiring the asset).

#### **Obligation to Provide Future Services**

The Organization annually calculates the present value of the net cost of future services and use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and use of facilities exceeds the deferred revenue from entrance fees, a liability is recorded (obligation to provide future services and use of facilities) with the corresponding charge to income.

#### **Advance Fees**

The nonrefundable entrance fees are recognized as deferred revenue upon receipt of the payment under the life care contract and included in liabilities in the statement of financial position until the performance obligations are satisfied. These deferred amounts are then amortized on a straight-line basis into revenue on a monthly basis over the expectant life of the resident as the performance obligation is associated with access to future services. 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 statement of financial position.

#### **Resident Service Revenue**

Resident services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing resident care. These amounts are due from residents, patients, participants, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the residents, patients, and third-party payors several days after the services are performed. Service fees paid by residents for maintenance, meals, and other services are assessed monthly and are recognized as revenue in the period services are rendered. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facilities receiving skilled nursing services or housing residents receiving services in the facilities. The Organization considers daily services provided to residents of the skilled nursing facilities, and monthly rental for housing services as a separate performance obligation and measures this on a monthly basis, or upon move-out within the month, whichever is shorter. Nonrefundable entrance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Revenue from nonrefundable entrance fees is recognized ratably in future periods covering a resident's life expectancy using a time-based measurement similar to the output method. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our residents and patients in a retail setting (for example, gift shop and cafeteria meals) and the Organization does not believe it is required to provide additional goods or services related to that sale.

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## Summary of Significant Projection Assumptions and Accounting Policies

### BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Because all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Organization's policy, and/or implicit price concessions provided to residents. The Organization determines its estimates of contractual adjustments based on contractual agreements, its policy, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience.

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

#### Medicare and Medicaid

The Organization's licensed nursing facilities participate in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). On October 1, 2019, CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare Prospective Payment System (PPS). Under PDPM, therapy minutes are removed as the primary basis for payment and instead the underlying complexity and clinical needs of a patient is used as a basis for reimbursement. In addition, PDPM introduced variable adjustment factors that change reimbursement rates during the resident's length of stay. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

Effective October 1, 2019, new PDPM HIPPS codes replaced RUG scores listed on each claim for determining reimbursement amounts. Annual Medicaid cost reports are required by the state of North Carolina, however, they are not used to settle the costs of claims. Instead, the cost reports are used in the development of price-based rates and to monitor the adequacy of the reimbursement methodology.

#### Other

Payment agreements with certain commercial insurance carriers provide for payment using prospectively determined daily rates.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

## **Summary of Significant Projection Assumptions and Accounting Policies**

### **BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Generally, residents and patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization estimates the transaction price for residents and patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent charges to the estimate of the transaction price are generally recorded as adjustments to resident and home and community-based services revenue in the period of the change.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized.

#### **Contract Costs**

The Organization has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred as the amortization period of the asset that the Organization otherwise would have recognized is one year or less in duration.

#### **Benevolent Assistance**

The Organization has a policy of providing benevolent assistance to qualified residents who are unable to pay. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis. The normal charges for services provided are included in revenue and paid through a transfer of assets from the Benevolent Trust Fund.

#### **Income Tax Status**

The Organization consists of not-for-profit organizations exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3), and the affiliated Foundation is exempt from income taxes pursuant to Internal Revenue Code Section 501(a).

It is the Organization's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a more-likely-than-not threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the combined financial statements.

#### **Fair Value of Financial Instruments**

The carrying amount of cash and cash equivalents, assets limited as to use, accounts receivable, net, and other current and long-term liabilities approximates their respective fair values.

#### **Equity Method Investment**

The Organization has a 20% equity interest in Trinity Rehab, LLC. During the year ended September 30, 2022, the Organization made the initial investment of \$1,100,000. The Organization receives 20% of Trinity Rehab LLC's net income, and distributions as declared by Trinity Rehab, LLC.

Distributions received from equity method investees are classified in the combined statement of cash flows under the cumulative earnings approach, in which distributions received are considered returns on investment and classified as cash inflows from operating activities, unless the cumulative distributions received less distributions received in prior periods that were determined to be returns of

***Summary of Significant Projection Assumptions and Accounting Policies***

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**BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

investment exceed cumulative equity in earnings recognized. When such an excess occurs, distribution up to this excess would be considered a return of investment and classified as cash inflows from investing activities.

Management has not projected any distributions related to their equity interest.

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## Summary of Significant Projection Assumptions and Accounting Policies

### MANAGEMENT'S BASIS FOR PROJECTION OF REVENUES

Unless otherwise noted, assumptions are the same for all three Organizations.

#### Facility Utilization

Management has projected the occupancies at EveryAge – Abernethy Laurels, EveryAge – Piedmont Crossing as follows. The projected occupancy of EveryAge – BellaAge is described subsequently.

<u>EveryAge - Abernethy Laurels</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Average Occupied Units:					
Independent Living	162	162	162	162	162
Assisted Living	13	13	13	13	13
Skilled Nursing	156	156	156	156	156
Available Units:					
Independent Living	187	187	187	187	187
Assisted Living	18	18	18	18	18
Skilled Nursing	174	174	174	174	174
<u>Average Independent Living Occupancy Percentage</u>	<u>87%</u>	<u>87%</u>	<u>87%</u>	<u>87%</u>	<u>87%</u>
<u>Average Assisted Living Occupancy Percentage</u>	<u>72%</u>	<u>72%</u>	<u>72%</u>	<u>72%</u>	<u>72%</u>
<u>Average Skilled Nursing Occupancy Percentage</u>	<u>90%</u>	<u>90%</u>	<u>90%</u>	<u>90%</u>	<u>90%</u>
<u>EveryAge - Piedmont Crossing</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Average Occupied Units:					
Independent Living	161	161	161	161	161
Assisted Living	12	12	12	12	12
Skilled Nursing	86	86	86	86	86
Available Units:					
Independent Living	169	169	169	169	169
Assisted Living	20	20	20	20	20
Skilled Nursing	94	94	94	94	94
<u>Average Independent Living Occupancy Percentage</u>	<u>95%</u>	<u>95%</u>	<u>95%</u>	<u>95%</u>	<u>95%</u>
<u>Average Assisted Living Occupancy Percentage</u>	<u>60%</u>	<u>60%</u>	<u>60%</u>	<u>60%</u>	<u>60%</u>
<u>Average Skilled Nursing Occupancy Percentage</u>	<u>91%</u>	<u>91%</u>	<u>91%</u>	<u>91%</u>	<u>91%</u>

Source: Management

#### Revenue

Health care revenue includes revenue from residents residing in the nursing facility. Health care revenue and the payor mix is based upon historical experience for the Organization. Health care revenues are assumed to increase 3.5 percent annually throughout the Projection Period. The Projection does not assume any third-party payor settlements throughout the Projected Period.

Assisted living rents are based on historical experience of the Organization. These rents are assumed to increase 3.5 percent annually throughout the Projection Period.

Residential living rents are based on historical experience of the Organization. These rents are assumed to increase 3.5 percent annually throughout the Projection Period.

Home Care revenue is based on historical experience of the Organization. Home Care revenue is anticipated to increase approximately 3.5 percent annually throughout the Projection Period.

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## Summary of Significant Projection Assumptions and Accounting Policies

### MANAGEMENT'S BASIS FOR PROJECTION OF REVENUES

Management fee income is assumed to increase approximately 3.5 percent annually throughout the Projection Period.

EveryAge Summary of Fees, Number and Types of Units Rates Effective 10/1/2023 and 2/1/2024*						
Description	Abernetby Laurels			Piedmont Crossing		
	Number of Units	Entrance Fee <sup>(1)</sup>	Standard Monthly Fee <sup>(2)</sup>	Number of Units	Entrance Fee <sup>(1)</sup>	Standard Monthly Fee <sup>(2)</sup>
<i>Independent Living</i>						
<i>Village Homes:</i>						
Villas	62	\$192,000 - 393,000	\$2,077	24	\$318,000 - \$462,750 *	\$1,996
Cottages	26	\$298,500 - \$502,500	\$2,265	18	\$365,250 - \$504,000 *	\$2,161
One Bedroom Townhome	10	\$169,500 - 189,000	\$1,802	0	N/A	N/A
Two Bedroom Townhome	31	\$182,250 - 219,000	\$1,942	0	N/A	N/A
<i>Veranda Apartments</i>						
One Bedroom	0	N/A	N/A	4	\$133,500	\$1,843
Two Bedroom	0	N/A	N/A	24	\$185,250	\$1,964
<i>Patio Homes</i>						
One Bedroom	0	N/A	N/A	5	\$152,250	\$1,893
Two Bedroom	0	N/A	N/A	15	\$211,500	\$2,038
<i>Gallery Apartments</i>						
One Bedroom Corner	0	N/A	N/A	4	\$117,750	\$2,463
One Bedroom Standard	0	N/A	N/A	8	\$117,750	\$2,560
Two Bedroom Standard	0	N/A	N/A	23	\$169,500	\$2,756
<i>Pavilion:</i>						
Studio	22	N/A	\$5,144 - 6,600	0	N/A	N/A
Studio - Deluxe	0	N/A	N/A	10	\$85,500	\$2,847
Efficiency	13	\$50,250	\$3,470	0	N/A	N/A
Efficiency Deluxe	2	\$50,250	\$3,857	0	N/A	N/A
One Bedroom	17	\$72,000	\$4,479	26	\$109,500	\$3,427
One Bedroom Deluxe	4	\$111,750	\$4,687	0	N/A	N/A
Two Bedroom	0	N/A	N/A	8	\$134,250	\$3,880
<b>Total / Weighted Average</b>	<b>187</b>	<b>\$234,485</b>	<b>\$2,944</b>	<b>169</b>	<b>\$211,345</b>	<b>\$2,593</b>
<i>Second Person</i>			\$810-\$1,297	\$750 - \$1,012		
<i>Assisted Living</i>						
Private	18	N/A	\$202	14	N/A	\$220
Semi-Private	0	N/A	\$0	6	N/A	\$164
<b>Total / Weighted Average</b>	<b>18</b>		<b>\$202</b>	<b>20</b>		<b>\$203</b>
<i>Nursing Beds</i>						
Private	34	N/A	\$346	60	N/A	\$331
Semi-Private	76	N/A	\$312	8	N/A	\$313
Rehab	16	N/A	\$435	18	N/A	\$437
Memory Care	48	N/A	\$352	18	N/A	\$344
<b>Total / Weighted Average</b>	<b>174</b>		<b>\$341</b>	<b>104</b>		<b>\$350</b>

Source: Management

Notes:

- (1) Reflects Type A rates. Type B (rental) rates are 1.5x less.
- (2) Reflects Type A rates. Type B (rental) rates are 1.5x higher.

Advance fees and resident deposit amortization revenue is based on the expected turnover in units at the Organization' apartment complexes for the elderly. The expected turnover during the Projection Period is consistent with the Organization historical experience.

Investment income is projected based on available investment balances earning investment income at a realized rate of 4.0 percent per year during the Projection Period.

Other revenue is expected to grow by 3.5 percent annually throughout the remainder of the Projection Period.

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## Summary of Significant Projection Assumptions and Accounting Policies

### MANAGEMENT'S BASIS FOR PROJECTION OF EXPENSES AND OTHER ITEMS

#### Cost and Expenses

The Home Office charges a management fee to the facilities to cover related party management costs. Management fee income and expense have been eliminated in combination.

Other costs and expenses for the years ending September 30, 2024 are projected based upon historical operating expenses. Cost and expenses for subsequent years are being inflated 3.5 percent annually throughout the remainder of the Projection Period.

Depreciation expense is projected based on estimated useful lives, giving to effect capital additions during the Projection Period.

#### Operating Reserve

Under the rules and regulations of the Department of Insurance of North Carolina, which regulates continuing care facilities operating in the state, the Organization are required to maintain operating reserves of 25 percent or 50 percent depending on the occupancy percentage, of the total occupancy costs of the independent living units and assisted living units (i.e., total expenses less depreciation, amortization. Such operating reserve may only be released upon approval of the North Carolina Commissioner of Insurance. The operating reserve has been calculated based upon projected operating for EveryAge – Abemethy Laurels and EveryAge – Piedmont Crossing. EveryAge – BellaAge is not considered for purposes of the operating reserve calculation as it is a rental facility.

The operating reserve for the Organization is projected as follows:

	2024	2025	2026	2027	2028
<b>Statutory Operating Reserve Calculation (Expenses in Thousands) <sup>(1)</sup>:</b>					
Total Operating Expenses	\$ 48,547	\$ 50,456	\$ 52,207	\$ 54,022	\$ 55,903
Include:					
Bond Principal Payments	1,960	545	540	540	625
Exclude:					
Depreciation	(4,886)	(5,352)	(5,609)	(5,877)	(6,152)
Amortization of Bond Issuance Costs	(50)	(50)	(50)	(50)	(50)
Debt Service Reserve	(1,613)	(1,702)	(1,809)	(1,938)	(2,067)
<b>Total Operating Costs</b>	<b>\$ 43,958</b>	<b>\$ 43,897</b>	<b>\$ 45,279</b>	<b>\$ 46,697</b>	<b>\$ 48,239</b>
Required Reserve	(2)	(2)	(2)	(2)	(2)
<b>Required Operating Reserve</b>	<b>\$ 15,412</b>	<b>\$ 17,424</b>	<b>\$ 17,966</b>	<b>\$ 18,519</b>	<b>\$ 19,122</b>

Source: Management

Notes:

- (1) Operating expenses are the operating expenses for the communities subject to an operating reserve, and exclude amortization and depreciation expense. The Debt Service Reserve fund provides an offset to interest expense and principal payments to the extent a debt service reserve fund has been established for such purpose.
- (2) Calculations for the individual facility calculations shown hereafter.

## Summary of Significant Projection Assumptions and Accounting Policies

### MANAGEMENT'S BASIS FOR PROJECTION OF EXPENSES AND OTHER ITEMS

The operating reserve projections are as follows:

<b>Piedmont Crossing</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Statutory Operating Reserve Calculation (Expenses in Thousands):</b>					
Total Operating Expenses	\$ 19,204	\$ 20,006	\$ 20,730	\$ 21,482	\$ 22,260
Include:					
Bond Principal Payments	346	154	152	151	177
Exclude:					
Depreciation	(1,573)	(1,760)	(1,862)	(1,969)	(2,079)
Amortization of Bond Issuance Costs	(11)	(11)	(11)	(11)	(11)
Debt Service Reserve	(277)	(292)	(311)	(333)	(358)
<b>Total Operating Costs</b>	<b>\$ 17,689</b>	<b>\$ 18,097</b>	<b>\$ 18,698</b>	<b>\$ 19,320</b>	<b>\$ 19,989</b>
Required Reserve	50%	25%	25%	25%	25%
<b>Required Operating Reserve</b>	<b>\$ 8,845</b>	<b>\$ 4,524</b>	<b>\$ 4,675</b>	<b>\$ 4,830</b>	<b>\$ 4,997</b>
<b>Average Available Units:</b>					
Independent Living Units	169	169	169	169	169
Assisted Living Units	20	20	20	20	20
<b>Total Available Units</b>	<b>189</b>	<b>189</b>	<b>189</b>	<b>189</b>	<b>189</b>
<b>Occupancy at September 30:</b>					
Independent Living Units	158	162	162	162	162
Assisted Living Units	11	12	12	12	12
<b>Total Occupied Units</b>	<b>169</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>
<b>Occupancy at September 30:</b>	<b>89.4%</b>	<b>92.1%</b>	<b>92.1%</b>	<b>92.1%</b>	<b>92.1%</b>

<b>Abernethy Laurels</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Statutory Operating Reserve Calculation (Expenses in Thousands):</b>					
Total Operating Expenses	\$ 29,343	\$ 30,450	\$ 31,477	\$ 32,540	\$ 33,643
Include:					
Bond Principal Payments	1,614	391	388	389	448
Exclude:					
Depreciation	(3,313)	(3,592)	(3,747)	(3,908)	(4,073)
Amortization of Bond Issuance Costs and Bond Premium	(39)	(39)	(39)	(39)	(39)
Principal Paid from Entrance Fee Receipts	-	-	-	-	-
Debt Service Reserve	(1,336)	(1,410)	(1,498)	(1,605)	(1,729)
Principal Set Aside In Debt Service Reserve Fund at Home Office	-	-	-	-	-
<b>Total Operating Costs</b>	<b>\$ 26,269</b>	<b>\$ 25,800</b>	<b>\$ 26,581</b>	<b>\$ 27,377</b>	<b>\$ 28,250</b>
Required Reserve	25%	50%	50%	50%	50%
<b>Required Operating Reserve</b>	<b>\$ 6,567</b>	<b>\$ 12,900</b>	<b>\$ 13,291</b>	<b>\$ 13,689</b>	<b>\$ 14,125</b>
<b>Average Available Units:</b>					
Independent Living Units	187	187	187	187	187
Assisted Living Units	18	18	18	18	18
<b>Total Available Units</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>
<b>Occupancy at September 30:</b>					
Independent Living Units	168.0	167.0	167.0	167.0	167.0
Assisted Living Units	17.5	16.5	16.5	16.5	16.5
<b>Total Occupied Units</b>	<b>185.5</b>	<b>183.5</b>	<b>183.5</b>	<b>183.5</b>	<b>183.5</b>
<b>Occupancy at September 30</b>	<b>90.5%</b>	<b>89.5%</b>	<b>89.5%</b>	<b>89.5%</b>	<b>89.5%</b>

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## **Summary of Significant Projection Assumptions and Accounting Policies**

### **MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)**

#### **Operating Reserve (continued)**

The total operating reserve is funded with cash and cash equivalents, debt securities and equity investments held by the EveryAge Home Office. These assets are restricted and cannot be used without approval by the North Carolina Department of Insurance.

#### **Intercompany Accounts**

Accounts due to affiliates and due from affiliates have been adjusted throughout the Projection Period as a result of projected activity of operations and to maintain a minimum operating cash balance and to account for the operating reserve requirements of those communities subject to an operating reserve.

#### **Commitments and Contingencies**

Management does not assume that there will be any claims on the Organization for the Projection Period relating to its self-insurance for professional and general liability coverage or workers' compensation plan in excess of its annual historical insurance expenses.

#### **Current Assets and Current Liabilities**

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

Cash and cash equivalents for the Projection Period is projected to maintain a minimum operating cash balance based upon recent historical experience of each of the Organization.

##### **Accounts Receivable, Net**

Accounts receivable, net is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating revenues for each of the respective Organization.

##### **Other Current Assets**

Other current assets are projected based on historic levels throughout the Projection Period.

##### **Accounts Payable**

Accounts payable is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating expenses, net of depreciation, for each of the respective Organization.

##### **Accrued Wages and Other Liabilities**

Accounts wages and other liabilities is projected based upon historical levels throughout the Projection Period that approximate the historical days of operating expenses, net of depreciation, for each of the respective Organization.

#### **Derivatives**

To reduce the impact of changes in interest rates on its variable rate bonds payable, the Organization has entered into interest rate swap agreements for the 2021B-D bonds. Under the agreement, interest is payable at a fixed rate of 1.985-2.624% based on the outstanding balance of the bank qualified loan payable, which is effective through October 1, 2036. The annual gain or loss on the fair value of the swap agreement is reported as revenue or expense on the combined statement of activities and changes in net assets. The interest rate swap agreement has nominal principal amount of \$59,445,000.

## **Summary of Significant Projection Assumptions and Accounting Policies**

### **MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)**

The fair value of the interest rate swap agreement was derived from proprietary models as of a given date, supplied by the swap advisor. The valuation is calculated on a mid market basis and does not include bid/offered spread that would be reflected in an actual price quotation. This model relies on certain assumptions regarding past, present, and future market conditions.

Management does not project unrealized gains or losses from the valuation of swap agreements.

#### **BellaAge**

On May 18, 2023, EveryAge and BellaAge successfully closed a \$31,960,000 direct bank loan with Huntington Public Capital Corporation. Proceeds from the Series 2023A is being used to build a new 95 independent living unit rental community in downtown Hickory, NC that will be known as BellaAge Hickory, LLC ("BellaAge" or the "Project") which will be targeted to the middle-market. The average square footage per unit will be approximately 1,081 square feet, with monthly fees ranging from \$2,394 to \$3,618 in 2024. Management has projected that its stabilized occupancy of 90 percent would be achieved in the fiscal year ending 2027.

Prospective residents will enter into a rental contract with services. EveryAge purchased land in 2021 in downtown Hickory (approximately 15 miles from its Abernethy Laurels campus). The new units will be registered with the North Carolina Department of Health Service Regulation as multi-housing units with services. Proceeds from Series 2023A will also be used to fund interest during construction and fill-up, pay for certain costs of issuance, and purchase furniture, fixtures, and equipment. Construction began in June 2023 which will take approximately 20 months to complete.

Management has based its operating expense assumptions on its anticipated staffing needs, as well as other operating expenses based on their operating experience with their other communities.

#### **Long Term Debt**

During the Projection Period, the Organization's long-term debt is planned to be comprised of the Series 2021A Bonds, Series 2022B Bonds, Series 2023B Bonds, Series 2021D Bonds, and the Series 2023A Bonds.

**Series 2021A Bonds:** During the 2022 fiscal year, the Organization entered into a refinancing agreement with the North Carolina Medical Care Commission, under which the Commission issued tax-exempt Series 2021A revenue bonds of \$22,205,000. The Series 2021A Bonds are due 2041 through 2051, bearing interest of 3.15% to 4.29%.

**Series 2021D Bonds:** During the 2022 fiscal year, the Organization entered into an \$18,385,000 bank loan financing with a commercial lender. The Series 2021D Bonds are due 2024-2037, bearing interest of 6.8%.

**Series 2022B Bonds:** During the 2023 fiscal year, the Organization converted their \$4,240,000 2021B Taxable Bonds originally financed with a commercial lender in 2022 to Series 2022B Tax-Exempt Bonds. The Series 2022B Bonds are due 2024-2037, bearing interest of 5.37%.

## Summary of Significant Projection Assumptions and Accounting Policies

### MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)

Series 2023B Bonds: During the 2023 fiscal year, the Organization converted their \$31,310,000 Series 2021C Taxable Bonds originally financed with a commercial lender in 2022 to Series 2023B Tax-Exempt Bonds. The 2023B Bonds are due 2024-2046, bearing interest of 5.37%.

Series 2023A Bonds: On May 1, 2023, the Organization entered into a financing agreement with the North Carolina Medical Care Commission, under which the Commission issued tax-exempt Series 2023A revenue bonds of \$31,960,000. The bonds were issued to finance the costs of the BellaAge project and pay certain expenses incurred in connection with the authorization and issuance of the bonds. The Series 2023A Bonds are due 2024-2046, bearing interest of 5.37%. The bonds are draw down bonds and the draws are assumed to fund BellaAge project costs plus interest expense during construction.

To reduce the impact of changes in interest rates on its variable rate bonds payable, the Organization has entered into four interest rate swap agreements for the 2021B-D bonds. Under the agreements, interest is payable at a fixed rate of 1.985-2.624% based on the outstanding balance of the bank qualified loans and have termination dates ranging from June 4, 2024 through October 1, 2036. The annual gain or loss on the fair value of the swap agreements is reported as revenue or expense in the combined statements of operations and changes in net assets. The interest rate swap agreements had a notional principal amount of \$58,597,500 at September 30, 2023. The fair value of the interest swap agreements at September 30, 2023 is approximately \$7,617,000.

In May 2023, the Organization entered into an additional interest rate swap agreement for the Series 2023 Bonds. Under the agreement, interest is payable at a fixed rate of 4.21% based on the outstanding balance of the bank qualified loan payable and has a termination date of May 1, 2030. The annual gain or loss on the fair value of the swap agreement is reported as revenue or expense in the combined statements of operations and changes in net assets. The notional amount varies each year based on draws on the loan and will eventually equal the approximate outstanding balance of the Series 2023 Bonds. The fair value of the interest swap agreements at September 30, 2023 is approximately \$813,000.

Management has projected maturity of the outstanding debt as follows:

Fiscal Year Ending September 30,	Abernetby	Piedmont	Abernetby	Piedmont	Abernetby	Piedmont	Abernetby	Piedmont	Bella Age	Total
	Laurel	Crossing	Laurel	Crossing	Laurel	Crossing	Laurel	Crossing	Series 2023A	
	Series 2021A Bonds		Series 2022B Bonds		Series 2023B Bonds		Series 2021D Bonds		Bonds	Principal
2024	\$ -	\$ -	\$ 228	\$ 107	\$ 1,257	\$ 178	\$ 129	\$ 61	\$ -	\$ 1,960
2025	-	-	224	106	92	13	75	35	-	545
2026	-	-	221	104	92	13	75	35	200	740
2027	-	-	214	101	95	14	78	37	635	1,175
2028	-	-	269	128	101	14	78	37	665	1,290
2029	-	-	303	142	101	14	82	38	690	1,370
2030	-	-	439	206	101	14	85	40	725	1,610
2031	-	-	10	5	105	15	664	266	755	1,720
2032	244	51	78	37	110	16	1,727	613	790	3,665
2033	261	54	82	38	110	16	1,771	604	825	3,990
Thereafter	17,886	3,707	347	163	22,561	3,194	7,556	3,667	26,675	66,650
<b>Total</b>	<b>\$ 18,300</b>	<b>\$ 3,812</b>	<b>\$ 2,414</b>	<b>\$ 1,136</b>	<b>\$ 24,725</b>	<b>\$ 3,500</b>	<b>\$ 12,223</b>	<b>\$ 5,752</b>	<b>\$ 31,960</b>	<b>\$ 103,915</b>

Source: Management

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***Summary of Significant Projection Assumptions and Accounting Policies***

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**MANAGEMENT'S BASIS FOR PROJECTION OF OTHER ITEMS (continued)**

The following table presents Management's projected capital additions during the Projection Period:

	2024	For the Years Ending September 30,				2028
		2025	2026	2027		
EveryAge - Abernethy Laurels	\$ 2,031	\$ 1,523	\$ 1,577	\$ 1,632	\$ 1,689	
EveryAge - Piedmont Crossing	1,357	1,012	1,048	1,084	1,122	
EveryAge - Home Office	103	107	111	115	119	
EveryAge - BellaAge	25,737	610	-	-	-	
EveryAge - BellaAge Capitalized Interest	925	880	-	-	-	
Total Property, Plant and Equipment	\$ 30,153	\$ 4,132	\$ 2,736	\$ 2,831	\$ 2,930	

Source: Management



## **SUPPLEMENTAL INFORMATION**

See Independent Accountants' Compilation Report  
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**EVERYAGE – ABERNETHY LAURELS  
PROJECTED BALANCE SHEETS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	1,546	1,600	1,656	1,714	1,775
Allowance for Credit Losses	(177)	(177)	(177)	(177)	(177)
Other Receivables	298	308	317	328	340
Due from Related Parties, Current	26,290	27,679	29,301	31,053	32,982
Other Current Assets	188	195	202	209	216
<b>Total Current Assets</b>	<b>28,143</b>	<b>29,603</b>	<b>31,299</b>	<b>33,127</b>	<b>35,136</b>
Due from Related Parties, Less Current Portion					
Assets Limited as to Use					
Residents' Funds	22	22	22	22	22
Bond Fund	143	175	174	178	180
<b>Total Assets Limited as to Use</b>	<b>165</b>	<b>197</b>	<b>196</b>	<b>200</b>	<b>202</b>
Fair Value of Interest Swap Agreements	6,093	6,093	6,093	6,093	6,093
Property and Equipment, Net					
Property and Equipment	97,478	99,001	100,578	102,210	103,899
Less: Accumulated Depreciation	(51,760)	(55,352)	(59,099)	(63,007)	(67,080)
Property and Equipment, Net	45,718	43,649	41,479	39,203	36,819
<b>Total Assets</b>	<b>\$80,119</b>	<b>\$79,542</b>	<b>\$79,067</b>	<b>\$ 78,623</b>	<b>\$78,250</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Current Portion of Long-Term Debt	\$ 391	\$ 388	\$ 389	\$ 448	\$ 485
Accounts Payable	377	390	404	418	433
Accrued Salaries and Related Benefits	1,272	1,317	1,363	1,410	1,460
Other Current Payables	655	655	655	655	655
<b>Total Current Liabilities</b>	<b>2,695</b>	<b>2,750</b>	<b>2,811</b>	<b>2,931</b>	<b>3,033</b>
<b>LONG-TERM LIABILITIES</b>					
Long-Term Debt, Net of Current Portion	55,750	55,362	54,973	54,525	54,040
Deferred Financing Costs	(777)	(738)	(699)	(660)	(621)
Unamortized Bond Premium	1,969	1,875	1,781	1,687	1,593
Long-Term Debt, Net of Current Portion	56,942	56,499	56,055	55,552	55,012
Refundable Entrance Fees	3,394	3,269	3,231	3,233	3,329
Deferred Revenue from Advance Fees	12,271	12,671	13,074	13,461	13,876
<b>Total Long-Term Liabilities</b>	<b>72,607</b>	<b>72,439</b>	<b>72,360</b>	<b>72,246</b>	<b>72,217</b>
<b>Total Liabilities</b>	<b>\$75,302</b>	<b>\$75,189</b>	<b>\$75,171</b>	<b>\$ 75,177</b>	<b>\$75,250</b>
<b>NET ASSETS</b>					
Net Assets Without Donor Restrictions	4,802	4,338	3,881	3,431	2,985
Net Assets With Donor Restrictions	15	15	15	15	15
<b>Total Net Assets</b>	<b>4,817</b>	<b>4,353</b>	<b>3,896</b>	<b>3,446</b>	<b>3,000</b>
<b>Total Liabilities and Net Assets</b>	<b>\$80,119</b>	<b>\$79,542</b>	<b>\$79,067</b>	<b>\$ 78,623</b>	<b>\$78,250</b>

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**EVERYAGE – ABERNETHY LAURELS**  
**PROJECTED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Health Care	\$ 18,918	\$ 19,580	\$ 20,265	\$ 20,974	\$ 21,708
Pavilion/Assisted Living	1,084	1,122	1,161	1,202	1,244
Residential Living	6,060	6,272	6,492	6,719	6,954
Amortization of Advance Fees	2,106	2,169	2,234	2,301	2,370
Home Care	451	477	494	511	529
Other Operating Revenue	227	235	243	252	261
<b>Total Revenue, Gains, and Other Support</b>	<b>28,856</b>	<b>29,855</b>	<b>30,889</b>	<b>31,959</b>	<b>33,066</b>
<b>EXPENSES</b>					
<b>Health Services</b>					
Health Care	8,227	8,515	8,813	9,121	9,440
Medical Records	77	80	83	86	89
Personnel and Employee Benefits	4,506	4,664	4,827	4,996	5,171
Laundry	176	182	188	195	202
Social Services	118	122	126	130	135
Activities	280	290	300	311	322
Spiritual Life	80	83	86	89	92
Housekeeping	821	850	880	911	943
Plant Maintenance	2,226	2,304	2,385	2,468	2,554
Pavilion/Assisted Living	594	615	637	659	682
Clinic	91	94	97	100	104
Resident Services	57	59	61	63	65
Transportation	105	109	113	117	121
Dietary	2,441	2,526	2,614	2,705	2,800
Wellness Center	158	164	170	176	182
Home Care	374	387	401	415	430
<b>General and Administrative:</b>					
Administrative	727	752	778	805	833
Marketing	402	416	431	446	462
Staff Development	109	113	117	121	125
Management Fees	1,876	1,938	2,006	2,076	2,149
Depreciation	3,313	3,592	3,747	3,908	4,073
Interest Expense	1,743	1,721	1,711	1,702	1,694
Interest - Amortization of Issuance Costs	39	39	39	39	39
Interest - Amortization of Bond Premium	(94)	(94)	(94)	(94)	(94)
Insurance	509	527	545	564	584
Credit Loss Expense	106	110	114	118	122
Other Operating Expenses	282	292	302	313	324
<b>Total Operating Expenses</b>	<b>29,343</b>	<b>30,450</b>	<b>31,477</b>	<b>32,540</b>	<b>33,643</b>
<b>Operating Loss</b>	<b>(487)</b>	<b>(595)</b>	<b>(588)</b>	<b>(581)</b>	<b>(577)</b>
<b>Nonoperating Income</b>					
Contribution Income	130	130	130	130	130
Other Nonoperating Income (Expense)	7	-	-	-	-
Investment/Interest Income	-	1	1	1	1
<b>Net Nonoperating Income</b>	<b>137</b>	<b>131</b>	<b>131</b>	<b>131</b>	<b>131</b>
<b>Excess of Revenues Over Expenses and Change in Net Assets Without Donor Restrictions</b>	<b>(350)</b>	<b>(464)</b>	<b>(457)</b>	<b>(450)</b>	<b>(446)</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	-	-	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>(350)</b>	<b>(464)</b>	<b>(457)</b>	<b>(450)</b>	<b>(446)</b>
<b>Net Assets, Beginning of Year</b>	<b>5,167</b>	<b>4,817</b>	<b>4,353</b>	<b>3,896</b>	<b>3,446</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 4,817</b>	<b>\$ 4,353</b>	<b>\$ 3,896</b>	<b>\$ 3,446</b>	<b>\$ 3,000</b>

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**EVERYAGE – ABERNETHY LAURELS  
PROJECTED STATEMENTS OF CASH FLOWS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ (350)	\$ (464)	\$ (457)	\$ (450)	\$ (446)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:					
Depreciation	3,313	3,592	3,747	3,908	4,073
Amortization of Deferred Issue Costs	39	39	39	39	39
Amortization of Bond Premium, Net	(94)	(94)	(94)	(94)	(94)
Amortization of Advance Fees	(2,106)	(2,169)	(2,234)	(2,301)	(2,370)
Advance Fees Received	1,028	1,159	1,185	1,192	1,244
(Increase) Decrease in Current Assets:					
Accounts Receivable	202	(54)	(56)	(58)	(61)
Other Receivables	(46)	(10)	(11)	(11)	(12)
Other Current Assets	(4)	(7)	(7)	(7)	(7)
Increase (Decrease) in Current Liabilities:					
Accounts Payable	103	13	14	14	15
Accrued Salaries and Related Benefits	80	45	46	47	50
<b>Net Cash Provided by Operating Activities</b>	<b>2,165</b>	<b>2,050</b>	<b>2,172</b>	<b>2,279</b>	<b>2,431</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Change in Assets Limited as to Use	(143)	(32)	1	(4)	(2)
Purchases of Property and Equipment	(2,031)	(1,523)	(1,577)	(1,632)	(1,689)
Change in Related Party Due From or Due To Accounts	696	(1,389)	(1,622)	(1,752)	(1,929)
<b>Net Cash Used in Investing Activities</b>	<b>(1,478)</b>	<b>(2,944)</b>	<b>(3,198)</b>	<b>(3,388)</b>	<b>(3,620)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Advanced Fees Refunds	(985)	(868)	(788)	(716)	(674)
Principal Payments on Long-Term Debt and Capital Leases	(1,614)	(391)	(388)	(389)	(448)
Refundable and First Generation Advance Fees Received	1,910	2,153	2,202	2,214	2,311
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(689)</b>	<b>894</b>	<b>1,026</b>	<b>1,109</b>	<b>1,189</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and Cash Equivalents, Beginning of Year	2	-	-	-	-
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Supplemental Disclosure of Cash Flow Information:					
Cash Paid for Interest	\$ 1,743	\$ 1,721	\$ 1,711	\$ 1,702	\$ 1,694

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**EVERYAGE – PIEDMONT CROSSING  
PROJECTED BALANCE SHEETS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	740	809	839	868	899
Allowance for Expected Credit Losses	(95)	(95)	(95)	(95)	(95)
Other Receivables	249	272	282	292	302
Due from Related Parties, Current	-	-	1,319	3,249	5,278
Other Current Assets	161	167	173	179	185
<b>Total Current Assets</b>	<b>1,055</b>	<b>1,153</b>	<b>2,518</b>	<b>4,493</b>	<b>6,569</b>
<b>Assets Limited as to Use</b>					
Residents' Funds	10	10	10	10	10
Bond Fund	35	47	47	49	49
<b>Total Assets Limited as to Use</b>	<b>45</b>	<b>57</b>	<b>57</b>	<b>59</b>	<b>59</b>
Equity Investment					
Fair Value of Interest Swap Agreements	1,524	1,524	1,524	1,524	1,524
Property and Equipment, Net	10,270	9,522	8,708	7,823	6,866
<b>Total Assets</b>	<b>\$ 12,894</b>	<b>\$ 12,256</b>	<b>\$ 12,807</b>	<b>\$ 13,899</b>	<b>\$ 15,018</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Current Portion of Long-Term Debt	\$ 154	\$ 152	\$ 151	\$ 177	\$ 195
Accounts Payable	420	434	449	465	481
Accrued Salaries and Related Benefits	1,000	1,035	1,072	1,109	1,148
Other Current Payables	688	688	688	688	688
Due to/from Affiliates	2,434	586	-	-	-
<b>Total Current Liabilities</b>	<b>4,696</b>	<b>2,895</b>	<b>2,360</b>	<b>2,439</b>	<b>2,512</b>
<b>LONG-TERM LIABILITIES</b>					
Long-Term Debt, Net of Current Portion	13,700	13,548	13,397	13,220	13,025
Deferred Financing Costs	(195)	(184)	(173)	(162)	(151)
Unamortized Bond Premium	412	392	372	352	332
Long-Term Debt, Net of Current Portion	13,917	13,756	13,596	13,410	13,206
Refundable Entrance Fees	3,484	3,969	4,396	4,809	5,271
Deferred Revenue from Advance Fees	9,143	9,708	10,254	10,784	11,341
<b>Total Long-Term Liabilities</b>	<b>26,544</b>	<b>27,433</b>	<b>28,246</b>	<b>29,003</b>	<b>29,818</b>
<b>Total Liabilities</b>	<b>\$ 31,240</b>	<b>\$ 30,328</b>	<b>\$ 30,606</b>	<b>\$ 31,442</b>	<b>\$ 32,330</b>
<b>NET ASSETS</b>					
Net Assets Without Donor Restrictions	(18,346)	(18,072)	(17,799)	(17,543)	(17,312)
Net Assets With Donor Restrictions	-	-	-	-	-
<b>Total Net Assets</b>	<b>(18,346)</b>	<b>(18,072)</b>	<b>(17,799)</b>	<b>(17,543)</b>	<b>(17,312)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 12,894</b>	<b>\$ 12,256</b>	<b>\$ 12,807</b>	<b>\$ 13,899</b>	<b>\$ 15,018</b>

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**EVERYAGE – PIEDMONT CROSSING**  
**PROJECTED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Health Care	\$ 11,148	\$ 11,445	\$ 11,820	\$ 12,207	\$ 12,608
Pavilion/Assisted Living	907	919	952	985	1,019
Residential Living	5,180	5,502	5,739	5,975	6,211
Amortization of Advance Fees	1,573	1,620	1,669	1,719	1,771
Home Care	641	663	687	711	736
Other Operating Revenue	85	131	136	141	146
<b>Total Revenue, Gains, and Other Support</b>	<b>19,534</b>	<b>20,280</b>	<b>21,003</b>	<b>21,738</b>	<b>22,491</b>
<b>EXPENSES</b>					
Health Services					
Health Care	5,684	5,883	6,089	6,302	6,523
Medical Records	47	49	51	53	55
Personnel and Employee Benefits	3,148	3,258	3,372	3,490	3,612
Laundry	127	131	136	141	146
Social Services	132	137	142	147	152
Activities	120	124	128	132	137
Spiritual Life	69	71	73	76	79
Housekeeping	448	464	480	497	514
Plant Maintenance	1,726	1,786	1,849	1,914	1,981
Pavilion/Assisted Living	257	266	275	285	295
Clinic	21	22	23	24	25
Resident Services	158	164	170	176	182
Transportation	35	36	37	38	39
Dietary	1,723	1,783	1,845	1,910	1,977
Beauty Shop	25	26	27	28	29
Home Care	581	601	622	644	667
General and Administrative:					
Administrative	634	656	679	703	728
Marketing	355	367	380	393	407
Staff Development	33	34	35	36	37
Management Fees	1,270	1,306	1,353	1,401	1,450
Depreciation	1,573	1,760	1,862	1,969	2,079
Interest Expense	393	414	410	406	403
Interest - Amortization of Issuance Costs	11	11	11	11	11
Interest - Amortization of Bond Premium	(20)	(20)	(20)	(20)	(20)
Insurance	352	364	377	390	404
Credit Loss Expense	72	75	78	81	84
Other Operating Expenses	230	238	246	255	264
<b>Total Operating Expenses</b>	<b>19,204</b>	<b>20,006</b>	<b>20,730</b>	<b>21,482</b>	<b>22,260</b>
<b>Operating Income</b>	<b>330</b>	<b>274</b>	<b>273</b>	<b>256</b>	<b>231</b>
Nonoperating Income (Expense)					
Other Nonoperating Revenue (Expense)	42	-	-	-	-
Investment/Interest Income	-	-	-	-	-
<b>Net Nonoperating Income (Expense)</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Revenues Over Expenses and Change in Net Assets Without Donor Restrictions</b>	<b>372</b>	<b>274</b>	<b>273</b>	<b>256</b>	<b>231</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	-	-	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>372</b>	<b>274</b>	<b>273</b>	<b>256</b>	<b>231</b>
<b>Net Assets, Beginning of Year</b>	<b>(18,718)</b>	<b>(18,346)</b>	<b>(18,072)</b>	<b>(17,799)</b>	<b>(17,543)</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ (18,346)</b>	<b>\$ (18,072)</b>	<b>\$ (17,799)</b>	<b>\$ (17,543)</b>	<b>\$ (17,312)</b>

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**EVERYAGE – PIEDMONT CROSSING  
PROJECTED STATEMENTS OF CASH FLOWS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ 372	\$ 274	\$ 273	\$ 256	\$ 231
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:					
Depreciation	1,573	1,760	1,862	1,969	2,079
Amortization of Deferred Issue Costs	11	11	11	11	11
Amortization of Bond Premium, Net	(20)	(20)	(20)	(20)	(20)
Amortization of Advance Fees	(1,573)	(1,620)	(1,669)	(1,719)	(1,771)
Advance Fees Received	1,494	1,132	1,130	1,132	1,177
(Increase) Decrease in Current Assets:					
Accounts Receivable	298	(69)	(30)	(29)	(31)
Other Receivables	(3)	(23)	(10)	(10)	(10)
Other Current Assets	(16)	(6)	(6)	(6)	(6)
Increase (Decrease) in Current Liabilities:					
Accounts Payable	(22)	14	15	16	16
Accrued Salaries and Related Benefits	147	35	37	37	39
<b>Net Cash Provided by Operating Activities</b>	<b>2,261</b>	<b>1,488</b>	<b>1,593</b>	<b>1,637</b>	<b>1,715</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Change in Assets Limited as to Use	(35)	(12)	-	(2)	-
Purchases of Property and Equipment	(1,357)	(1,012)	(1,048)	(1,084)	(1,122)
Change in Related Party Due From or Due To Accounts	(2,762)	(1,848)	(1,905)	(1,830)	(2,029)
<b>Net Cash Used in Investing Activities</b>	<b>(4,154)</b>	<b>(2,872)</b>	<b>(2,953)</b>	<b>(3,016)</b>	<b>(3,151)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Advanced Fees Refunds	(537)	(563)	(586)	(572)	(574)
Principal Payments on Long-Term Debt and Capital Leases	(346)	(154)	(152)	(151)	(177)
Refundable and First Generation Advance Fees Received	2,776	2,101	2,098	2,102	2,187
<b>Net Cash Provided by Financing Activities</b>	<b>1,893</b>	<b>1,384</b>	<b>1,360</b>	<b>1,379</b>	<b>1,436</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and Cash Equivalents, Beginning of Year	-	-	-	-	-
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Supplemental Disclosure of Cash Flow Information:					
Cash Paid for Interest	\$ 393	\$ 414	\$ 410	\$ 406	\$ 403

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**EVERYAGE – BELLA AGE  
PROJECTED BALANCE SHEETS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Due from Related Parties, Current	-	816	1,476	1,944	2,238
<b>Total Current Assets</b>	<b>-</b>	<b>816</b>	<b>1,476</b>	<b>1,944</b>	<b>2,238</b>
Due from Related Parties, Less Current Portion	-	-	-	-	-
Assets Limited as to Use					
Investments	98	98	98	98	98
Bond Fund	-	-	-	-	-
<b>Total Assets Limited as to Use</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>
Equity Investment					
Fair Value of Interest Swap Agreements	813	813	813	813	813
Property and Equipment, Net					
Property and Equipment	-	33,281	33,281	33,281	33,281
Construction in Progress	31,791	-	-	-	-
Less: Accumulated Depreciation	-	-	(808)	(1,616)	(2,424)
<b>Property and Equipment, Net</b>	<b>31,791</b>	<b>33,281</b>	<b>32,473</b>	<b>31,665</b>	<b>30,857</b>
<b>Total Assets</b>	<b>\$32,702</b>	<b>\$ 35,008</b>	<b>\$ 34,860</b>	<b>\$ 34,520</b>	<b>\$ 34,006</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Current Portion of Long-Term Debt	\$ -	\$ 200	\$ 635	\$ 665	\$ 690
Due to/from Affiliates	66	-	-	-	-
<b>Total Current Liabilities</b>	<b>66</b>	<b>200</b>	<b>635</b>	<b>665</b>	<b>690</b>
<b>LONG-TERM LIABILITIES</b>					
Long-Term Debt, Net of Current Portion	29,909	31,760	31,125	30,460	29,770
Deferred Financing Costs	(518)	(501)	(484)	(467)	(450)
Long-Term Debt, Net of Current Portion	29,391	31,259	30,641	29,993	29,320
<b>Total Long-Term Liabilities</b>	<b>29,391</b>	<b>31,259</b>	<b>30,641</b>	<b>29,993</b>	<b>29,320</b>
<b>Total Liabilities</b>	<b>\$29,457</b>	<b>\$ 31,459</b>	<b>\$ 31,276</b>	<b>\$ 30,658</b>	<b>\$ 30,010</b>
<b>NET ASSETS</b>					
Net Assets Without Donor Restrictions	3,245	3,549	3,584	3,862	3,996
Net Assets With Donor Restrictions	-	-	-	-	-
<b>Total Net Assets</b>	<b>3,245</b>	<b>3,549</b>	<b>3,584</b>	<b>3,862</b>	<b>3,996</b>
<b>Total Liabilities and Net Assets</b>	<b>\$32,702</b>	<b>\$ 35,008</b>	<b>\$ 34,860</b>	<b>\$ 34,520</b>	<b>\$ 34,006</b>

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**EVERYAGE – BELLAAGE**  
**PROJECTED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Residential Living	\$ -	\$ 974	\$ 2,899	\$ 3,448	\$ 3,567
Other Operating Revenue	-	271	212	53	55
<b>Total Revenue, Gains, and Other Support</b>	<b>-</b>	<b>1,245</b>	<b>3,111</b>	<b>3,499</b>	<b>3,622</b>
<b>EXPENSES</b>					
Health Services					
Health Care	-	25	73	87	90
Housekeeping	-	13	38	45	47
Plant Maintenance	-	91	272	322	333
Administrative	24	121	363	430	445
Management Fees	-	-	-	-	254
Depreciation	-	-	808	808	808
Interest Expense	-	630	1,363	1,343	1,319
Interest - Amortization of Issuance Costs	17	17	17	17	17
Insurance	-	9	26	31	32
Other Operating Expenses	-	39	120	142	147
<b>Total Operating Expenses</b>	<b>41</b>	<b>945</b>	<b>3,080</b>	<b>3,225</b>	<b>3,492</b>
<b>Operating Income (Loss)</b>	<b>(41)</b>	<b>300</b>	<b>31</b>	<b>274</b>	<b>130</b>
Nonoperating Income (Expense)					
Investment/Interest Income	4	4	4	4	4
<b>Net Nonoperating Income</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Excess (Deficit) of Revenues Over Expenses and Change in Net Assets Without Donor Restrictions</b>	<b>(37)</b>	<b>304</b>	<b>35</b>	<b>278</b>	<b>134</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	-	-	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>(37)</b>	<b>304</b>	<b>35</b>	<b>278</b>	<b>134</b>
<b>Net Assets, Beginning of Year</b>	<b>3,282</b>	<b>3,245</b>	<b>3,549</b>	<b>3,584</b>	<b>3,862</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 3,245</b>	<b>\$ 3,549</b>	<b>\$ 3,584</b>	<b>\$ 3,862</b>	<b>\$ 3,996</b>

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**EVERYAGE – BELLAAGE**  
**PROJECTED STATEMENTS OF CASH FLOWS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ (37)	\$ 304	\$ 35	\$ 278	\$ 134
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:					
Depreciation	-	-	808	808	808
Amortization of Deferred Issue Costs	17	17	17	17	17
(Increase) Decrease in Current Assets:					
Other Receivables	23	-	-	-	-
Increase (Decrease) in Current Liabilities:					
Accounts Payable	(892)	-	-	-	-
<b>Net Cash Provided by (Used by) Operating Activities</b>	<b>(889)</b>	<b>321</b>	<b>860</b>	<b>1,103</b>	<b>959</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchases of Property and Equipment	(25,737)	(610)	-	-	-
Capitalized Interest During Construction	(925)	(880)	-	-	-
Change in Related Party Due From or Due To Accounts	(11)	(882)	(660)	(468)	(294)
<b>Net Cash Used in Investing Activities</b>	<b>(26,673)</b>	<b>(2,372)</b>	<b>(660)</b>	<b>(468)</b>	<b>(294)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Borrowings of Long-Term Debt	27,554	2,051	-	-	-
Principal Payments on Long-Term Debt	-	-	(200)	(635)	(665)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>27,554</b>	<b>2,051</b>	<b>(200)</b>	<b>(635)</b>	<b>(665)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(8)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and Cash Equivalents, Beginning of Year	8	-	-	-	-
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Supplemental Disclosure of Cash Flow Information:					
Cash Paid for Interest	\$ 925	\$ 1,510	\$ 1,363	\$ 1,343	\$ 1,319

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**EVERYAGE – HOME OFFICE  
PROJECTED BALANCE SHEETS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 1,229	\$ 1,272	\$ 1,316	\$ 1,362	\$ 1,409
Other Receivables	41	42	44	45	47
Other Current Assets	445	461	477	493	511
<b>Total Current Assets</b>	<b>1,715</b>	<b>1,775</b>	<b>1,837</b>	<b>1,900</b>	<b>1,967</b>
Due from Related Parties, Less Current Portion	228	228	228	228	228
<b>Assets Limited as to Use</b>					
Statutory Operating Reserve	15,412	17,424	17,966	18,519	19,122
Investments	47,779	52,369	58,553	64,718	70,963
Trustee Deposit Accounts Required by Debt Agreement	7,283	7,283	7,283	7,283	7,283
<b>Total Assets Limited as to Use</b>	<b>70,702</b>	<b>77,304</b>	<b>84,030</b>	<b>90,748</b>	<b>97,596</b>
Equity Investment	1,326	1,326	1,326	1,326	1,326
Other Noncurrent Assets	1,203	1,203	1,203	1,203	1,203
Property and Equipment, Net	7,369	7,066	6,755	6,437	6,111
<b>Total Assets</b>	<b>\$ 82,315</b>	<b>\$ 88,674</b>	<b>\$ 95,151</b>	<b>\$ 101,614</b>	<b>\$ 108,203</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	\$ 433	\$ 448	\$ 464	\$ 480	\$ 497
Accrued Salaries and Related Benefits	1,055	1,092	1,130	1,169	1,210
Due to Affiliates	19,937	24,056	28,243	32,393	36,645
<b>Total Current Liabilities</b>	<b>21,425</b>	<b>25,596</b>	<b>29,837</b>	<b>34,042</b>	<b>38,352</b>
<b>LONG-TERM LIABILITIES</b>					
Total Long-Term Liabilities	-	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 21,425</b>	<b>\$ 25,596</b>	<b>\$ 29,837</b>	<b>\$ 34,042</b>	<b>\$ 38,352</b>
<b>NET ASSETS</b>					
Net Assets Without Donor Restrictions	60,890	63,078	65,314	67,572	69,851
Net Assets With Donor Restrictions	-	-	-	-	-
<b>Total Net Assets</b>	<b>60,890</b>	<b>63,078</b>	<b>65,314</b>	<b>67,572</b>	<b>69,851</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 82,315</b>	<b>\$ 88,674</b>	<b>\$ 95,151</b>	<b>\$ 101,614</b>	<b>\$ 108,203</b>

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**EVERYAGE – HOME OFFICE**  
**PROJECTED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6**  
**FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Management Fee Income	\$ 6,245	\$ 6,464	\$ 6,690	\$ 6,924	\$ 7,166
Other Operating Revenue	994	1,029	1,065	1,102	1,141
<b>Total Revenue, Gains, and Other Support</b>	<b>7,239</b>	<b>7,493</b>	<b>7,755</b>	<b>8,026</b>	<b>8,307</b>
<b>EXPENSES</b>					
Health Services					
Personnel and Employee Benefits	2,225	2,303	2,384	2,467	2,553
Day Care	324	335	347	359	372
General and Administrative:					
Administrative	4,198	4,345	4,497	4,654	4,817
Depreciation	395	410	422	433	445
Real Estate Taxes	15	16	17	18	19
Interest Expense	10	10	10	10	10
Insurance	152	157	162	168	174
Other Operating Expenses	45	47	49	51	53
<b>Total Operating Expenses</b>	<b>7,364</b>	<b>7,623</b>	<b>7,888</b>	<b>8,160</b>	<b>8,443</b>
<b>Operating Loss</b>	<b>(125)</b>	<b>(130)</b>	<b>(133)</b>	<b>(134)</b>	<b>(136)</b>
Nonoperating Income					
Contribution Expense	(168)	-	-	-	-
Investment/Interest Income	3,194	2,318	2,369	2,392	2,415
<b>Net Nonoperating Income (Expense)</b>	<b>3,026</b>	<b>2,318</b>	<b>2,369</b>	<b>2,392</b>	<b>2,415</b>
<b>Excess of Revenues Over Expenses and Change in Net Assets Without Donor Restrictions</b>	<b>2,901</b>	<b>2,188</b>	<b>2,236</b>	<b>2,258</b>	<b>2,279</b>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	-	-	-	-	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>2,901</b>	<b>2,188</b>	<b>2,236</b>	<b>2,258</b>	<b>2,279</b>
<b>Net Assets, Beginning of Year</b>	<b>57,989</b>	<b>60,890</b>	<b>63,078</b>	<b>65,314</b>	<b>67,572</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 60,890</b>	<b>\$ 63,078</b>	<b>\$ 65,314</b>	<b>\$ 67,572</b>	<b>\$ 69,851</b>

See Independent Accountants' Compilation Report  
(34)

**EVERYAGE – HOME OFFICE  
PROJECTED STATEMENTS OF CASH FLOWS  
ASSUMING THE HYPOTHETICAL ASSUMPTION ON PAGE 6  
FOR THE YEARS ENDING SEPTEMBER 30, 2024 THROUGH 2028**

	2024	2025	2026	2027	2028
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Change in Net Assets	\$ 2,901	\$ 2,188	\$ 2,236	\$ 2,258	\$ 2,279
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities:					
Depreciation	395	410	422	433	445
(Increase) Decrease in Current Assets:					
Other Receivables	(29)	(1)	(2)	(1)	(2)
Other Current Assets	(145)	(16)	(16)	(16)	(18)
Increase (Decrease) in Current Liabilities:					
Accounts Payable	155	15	16	16	17
Accrued Salaries and Related Benefits	165	37	38	39	41
Other Current Payables	(70)	-	-	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>3,372</b>	<b>2,633</b>	<b>2,694</b>	<b>2,729</b>	<b>2,762</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Change in Assets Limited as to Use	902	(2,012)	(542)	(553)	(603)
Purchases of Property and Equipment	(103)	(107)	(111)	(115)	(119)
Change in Due to Affiliates	2,077	4,119	4,187	4,150	4,252
Purchase of Investments	(6,403)	(4,590)	(6,184)	(6,165)	(6,245)
<b>Net Cash Used in Investing Activities</b>	<b>(3,527)</b>	<b>(2,590)</b>	<b>(2,650)</b>	<b>(2,683)</b>	<b>(2,715)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Net Cash Provided by Financing Activities	-	-	-	-	-
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(155)</b>	<b>43</b>	<b>44</b>	<b>46</b>	<b>47</b>
Cash and Cash Equivalents, Beginning of Year	1,384	1,229	1,272	1,316	1,362
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,229</b>	<b>\$ 1,272</b>	<b>\$ 1,316</b>	<b>\$ 1,362</b>	<b>\$ 1,409</b>
Supplemental Disclosure of Cash Flow Information:					
Cash Paid for Interest	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Accountants' Compilation Report  
(35)

# Financial Information and Five -Year Projection Statements for (Providence Place)

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## Current and Forecasted Financial Statements

Year Ending September 30, 2025 (Forecast)

Year Ending September 30, 2026 (Forecast)

Year Ending September 30, 2027 (Forecast)

Year Ending September 30, 2028 (Forecast)

Year Ending September 30, 2029 (Forecast)

Providence Place, LLC Consolidated Balance Sheets Forecasted through September 30, 2029

**Providence Place Consolidated  
Forecasted Balance Sheets  
Years Ending September 30, 2024 through 2029  
\$(000's)**

<u>Assets</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
<b>Current Assets:</b>						
Cash and cash equivalents	\$ -	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600
Accounts receivable, net	0	1,605	1,605	1,605	1,605	1,605
Due from related parties	0	2,741	2,687	2,535	2,547	2,734
Other receivables and current assets	0	0	0	0	0	0
<b>Total current assets</b>	<b>0</b>	<b>4,946</b>	<b>4,892</b>	<b>4,740</b>	<b>4,752</b>	<b>4,939</b>
<b>Non-Current Assets:</b>						
Operating Reserves	0	0	0	0	0	0
Patient Funds	0	60	60	60	60	60
Investments	0	0	0	0	0	0
Board Designated & Debt Service Reserves	0	2,478	2,463	2,463	2,463	2,463
Assets limited as to use, net of current portion	0	2,538	2,523	2,523	2,523	2,523
Fair Value of Interest Rate Swaps	(254)	(254)	(254)	(254)	(254)	(254)
<b>Property and equipment, net</b>	<b>243</b>	<b>40,439</b>	<b>39,565</b>	<b>38,983</b>	<b>38,556</b>	<b>38,131</b>
<b>Total assets</b>	<b>(11)</b>	<b>47,669</b>	<b>46,727</b>	<b>45,993</b>	<b>45,578</b>	<b>45,340</b>
<b><u>Liabilities and Net Assets</u></b>						
<b>Current liabilities:</b>						
Current portion of long-term debt	\$ -	\$ 760	\$ 793	\$ 830	\$ 869	\$ 912
Line of Credit	0	0	0	0	0	0
Accounts payable and accrued expenses	0	900	900	900	900	900
Due to affiliates	243	0	0	0	0	0
<b>Total current liabilities</b>	<b>243</b>	<b>1,660</b>	<b>1,693</b>	<b>1,730</b>	<b>1,769</b>	<b>1,812</b>
<b>Long-term liabilities:</b>						
Long-term debt, less current portion	0	46,337	45,554	44,736	43,878	42,976
<b>Total long-term liabilities</b>	<b>0</b>	<b>46,337</b>	<b>45,554</b>	<b>44,736</b>	<b>43,878</b>	<b>42,976</b>
<b>Total liabilities</b>	<b>243</b>	<b>47,996</b>	<b>47,248</b>	<b>46,466</b>	<b>45,647</b>	<b>44,787</b>
<b>Net assets:</b>						
With Donor Restrictions	0	0	0	0	0	0
Without Donor Restrictions:						
Retained Earnings-Prior Year	0	(254)	(327)	(521)	(473)	(69)
Retained Earnings-Current Year	(254)	(73)	(194)	48	404	622
<b>Total net assets</b>	<b>(254)</b>	<b>(327)</b>	<b>(521)</b>	<b>(473)</b>	<b>(69)</b>	<b>553</b>
<b>Total liabilities and net assets</b>	<b>\$ (11)</b>	<b>\$ 47,669</b>	<b>\$ 46,727</b>	<b>\$ 45,993</b>	<b>\$ 45,578</b>	<b>\$ 45,340</b>



Providence Place, LLC Consolidated Profit and Loss Statements Forecasted through September 30, 2029

Providence Place Consolidated  
Statements of Forecasted Operations and Changes in Net Assets  
Years Ending September 30, 2025 through 2029  
\$(000's)

	2025	2026	2027	2028	2029
<b>Operating revenues:</b>					
Health Care	\$ 16,250	\$ 16,819	\$ 17,408	\$ 18,017	\$ 18,648
Pavilion/assisted living	4,686	4,850	5,020	5,196	5,377
Outside Services	0	0	0	0	0
Rental Revenue	852	882	913	945	978
Residential living service	2,778	2,875	2,976	3,080	3,187
Amortization of advance fees	0	0	0	0	0
Management fee income	0	0	0	0	0
Other operating revenue	10	10	11	11	11
Total operating revenue	24,576	25,437	26,327	27,248	28,202
<b>Operating expenses:</b>					
Health Care	6,983	7,228	7,481	7,743	8,014
Medical records	42	43	45	46	48
Personnel	3,398	3,517	3,640	3,767	3,899
Laundry	200	207	215	222	230
Social services	88	91	94	98	101
Activities	251	259	268	278	288
Spiritual Life	68	70	73	75	78
Housekeeping	699	723	748	775	802
Plant maintenance	1,958	2,026	2,097	2,170	2,246
Staff development	72	75	77	80	83
Pavilion/assisted living	1,021	1,057	1,094	1,132	1,172
Outside Services	0	0	0	0	0
Independent Living	10	10	11	11	11
Home Care	0	0	0	0	0
Clinic	53	55	57	59	61
Resident services	58	60	62	64	67
Transportation	17	18	19	19	20
Administrative	620	642	664	687	712
Marketing	256	265	274	284	294
Dietary	2,134	2,209	2,286	2,366	2,449
Life Enrichment	53	55	57	59	61
Beauty shop	0	0	0	0	0
Day care	0	0	0	0	0
Management Fees	966	1,245	1,543	1,597	1,653
Depreciation	2,223	2,373	2,082	1,928	1,925
Amortization	47	47	47	47	47
Real estate taxes	249	191	191	191	191
Interest expense	2,312	2,422	2,386	2,352	2,309
Insurance	355	367	380	394	407
Bad debts	255	103	107	110	114
Other operating expenses	262	271	281	291	301
Total operating expenses	24,650	25,631	26,278	26,845	27,580
Operating income(loss)	\$ (73)	\$ (194)	\$ 48	\$ 404	\$ 622
<b>Non-operating income(loss):</b>					
Contribution income	0	0	0	0	0
Change in Fair Value of Interest Rate Swap	0	0	0	0	0
Other non-operating income(expense)	\$ -	\$ -	\$ -	\$ -	\$ -
Net non-operating income	\$ -	\$ -	\$ -	\$ -	\$ -
Excess revenues over(under) expenses	\$ (73)	\$ (194)	\$ 48	\$ 404	\$ 622
Dividends and Interest Income	0	0	0	0	0
Net nonoperating income	\$ -	\$ 0	\$ 0	\$ 0	\$ 0
Change in unrestricted net assets	\$ (73)	\$ (194)	\$ 48	\$ 404	\$ 622
<b>Net Assets:</b>					
Beginning	(254)	(327)	(521)	(473)	(69)
Ending	\$ (327)	\$ (521)	\$ (473)	\$ (69)	\$ 653

Providence Place, LLC Consolidated Cash Flow Statements Forecasted through September 30, 2029

**Providence Place Consolidated  
Statements of Forecasted Cash Flows  
Years Ending September 30, 2025 through 2029  
\$(000's)**

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
<b>Operating activities:</b>					
Change in net assets	(73)	(194)	48	404	622
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Dividend and Interest Income on investments	0	0	0	0	0
Depreciation/Amortization	2,223	2,373	2,082	1,928	1,925
Amortization of Bond and Loan Costs	47	47	47	47	47
Amortization of Bond Premiums	(32)	(35)	(35)	(35)	(35)
Net change in:					
Resident accounts receivable, other receivables, and other current assets	(1,665)	0	0	0	0
Accounts payable and accrued expenses	900	0	0	0	0
Net cash provided by operating activities	<u>1,399</u>	<u>2,190</u>	<u>2,142</u>	<u>2,342</u>	<u>2,558</u>
<b>Investing activities:</b>					
Net change in assets limited as to use	(2,478)	15	0	0	0
Repayments/advances from related parties, net	(2,984)	54	152	(12)	(187)
Purchase of property and equipment	(42,419)	(1,500)	(1,500)	(1,500)	(1,500)
Net cash provided (used) by investing activities	<u>(47,881)</u>	<u>(1,431)</u>	<u>(1,348)</u>	<u>(1,512)</u>	<u>(1,687)</u>
<b>Financing activities:</b>					
Principal payments of long-term debt	(915)	(760)	(793)	(830)	(869)
New debt	48,711	0	0	0	0
Cost of issuance on new debt	(1,396)	0	0	0	0
Bond premiums on new debt	682	0	0	0	0
Interest Rate Swap	0	0	0	0	0
Net cash used by financing activities	<u>47,082</u>	<u>(760)</u>	<u>(793)</u>	<u>(830)</u>	<u>(869)</u>
Change in cash	600	(0)	(0)	0	1
Cash and cash equivalents, beginning of year	0	600	600	600	600
Cash and cash equivalents, end of year	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>601</u>

Section VII:

**Reserves, Escrow and Trusts**

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The Board of Directors establishes an operating reserve in an amount equal to twenty-five (25) percent of the budgeted expenses for 2025 for the purpose of preserving the financial stability of the Corporation. In accordance with guidance received by the NC Department of Insurance dated September 26, 2019, and subsequent guidance received December 4, 2020, the calculation of operating reserve is based on the forecasted operating expenses for Fiscal Year 2025 and occupancy as of October 1, 2024, which is the first date of ownership of the community by Providence Place. The funds held for operating reserve by the Corporation are invested and managed by independent money managers and had a balance of 20,147,871 on October 31, 2024.

N.C.G.S. 58-64-33 requires the Corporation to maintain an operating reserve equal to fifty (50) percent of the total operating costs of the community forecasted for the twelve-month period following the period covered by the most recent disclosure statement filed with the Department or twenty-five (25) percent, if occupancy is in excess of ninety (90) percent. Based on the Financial Forecasts, the Corporation will possess sufficient reserves to satisfy the Operating Reserve Requirement for Providence Place as shown below:

**Total Forecasted 2025 Operating Costs for Providence Place**

Total Operating Costs:	\$22,066,299
Principal Payment	781,039
Less Depreciation Expense	(1,822,499)
Less Amortization Expense	(37,293)
Less Debt Service Reserve Account	<u>(2,041,191)</u>

**OPERATING RESERVE REQUIREMENT**

Total Forecasted Operating Costs for 2025	\$18,946,355
Multiplied by Required Percentage	<u>X 25%</u>
Total Operating Reserve Required for 2025	<u>\$4,736,589</u>

**ASSETS AVAILABLE TO FUND OPERATING RESERVE**

Portion of reserve corpus of assets whose use is limited - Board designated	<u>\$20,147,871</u>
Necessary funds available to fund operating reserve	<u>\$4,736,589</u>

For all of the above reserves, the Finance Committee of the Board of Directors has developed an investment policy which makes the final decision concerning investment strategies.

Section VIII:  
**Community Development and Expansion**

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**Providence Place**

There is no current community development and/or expansion planned at this time.

Funding for future capital expansion will be provided by operating cash, contributions from interested individuals and other donors, entities, organizations, etc., bank financing, sale of tax-exempt bonds, and/or use of available reserves.

## Section IX:

### **Other Material Information**

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The Corporation strives to make every effort to reach out to the wider community and respond with care and services to meet a variety of needs of the growing older population. As opportunities and finances are available, new outreach ministries are undertaken, not only to respond to needs, but to also help set standards for quality care and affordable retirement living opportunities. The Corporation is committed to a mission of carrying on charitable work in response to community and individual needs as funds are available and as opportunities present themselves.

The Corporation purchases general, professional, and excess automobile liability insurance from Caring Communities, a Reciprocal Risk Retention Group (“CCrRRG”). CCrRRG is a District of Columbia insurer owned by over 60 members, including EveryAge, all of whom are not-for-profit providers of senior services and housing, except one member which is a Vermont insurer owned by its members all of which are also not-for-profit providers of senior services and housing. CCrRRG is registered with the North Carolina Department of Insurance but is not covered by the North Carolina Guarantee Association.

Capital contributions are now represented by the EveryAge Charter Capital Account of CCrRRG.

## Exhibit 1: Fee Schedules

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Each of the following **Fee Schedules** provide an itemized list of services, not included in the Monthly Fee, which may be available on a fee-for-service basis.

Westchester Manor at Providence Place  
**Health Center**

Fee Schedule as of October 1, 2024

**LAUNDRY SERVICES**

Personal Service (Monthly)..... \$ 75.00

**SALON SERVICES**

Shampoo Only..... \$ 15.00

Shampoo and Set ..... \$ 23.00

Shampoo, Set and Cut ..... \$ 45.00

Ladies Cut ..... \$ 23.00

Mens Cut..... \$ 17.00

Mustache / Eyebrow Trim..... \$ 3.00

Face Shave..... \$ 10.00

Permanent ..... \$ 75.00

Hair Color ..... \$ 55.00

Temporary Rinse..... \$ 3.00

AN Conditioning Tx ..... \$ 25.00

AN Clarifying Tx ..... \$ 25.00

**LABORATORY**

Glucometer Test ..... \$ 7.00

Hemocult..... \$ 11.35

CBG Kit ..... \$ 84.00

Tuberculin Screen ..... \$ 5.00 each  
 (At Admission and Annually)

Flu Vaccine ..... \$ 12.00

**TRANSPORTATION**

Cost of Trip Per Vendor

**NUTRITION / SUPPLEMENTS**

\$2.70/Serving (Average order is three times daily)

Equals approximately \$8.10 / day

\*Prices Subject to Change Due to Distribution

**MEDICAL SUPPLIES**

Oxygen Concentrator Monthly..... \$ 125.00

Oxygen Tank ..... \$ 20.00

**MISCELLANEOUS ITEMS**

Bedpan – Fracture Mauve ..... \$ 2.04

Bedpan – Pontoon/Stack..... \$ 2.74

Brief – Medium ..... \$ 24.37

Brief – Large ..... \$ 24.37

Brief – XL & XXL..... \$ 24.37

Cannula Adult Curved 25’ TB SF..... \$ 2.58

Cannula Adult Oxygen 7’ TBG BC ..... \$ 1.16

Colostomy Pouch 2 ¾” Flange..... \$ 62.04

Colostomy Waffer 2 ¾” ..... \$ 87.55

Comb – Black 7” ..... \$ 0.60

Hairbrush – Adult..... \$ 1.14

Humidifier Prefilled H2 ST 34..... \$ 4.83

Nebulizer Adult Mask 7’ Tubing..... \$ 3.11

Nebulizer Compressor Mini – Plus..... \$ 60.00

Test Strips In-Ratio PT..... \$ 12.75

Tissue Facial Stand 7.5” x 8.5” ..... \$ 2.06

Toothbrush Individually Wrapped..... \$ 0.50

Toothpaste Fluoride 1.5 oz. .... \$ 0.64

Underwear Prot. Classic SM 4/22..... \$ 24.30

Underwear Prot. Classic XL 4/14 ..... \$ 24.30

Underwear Prot. Classic XXL 4/1 ..... \$ 26.30

Underwear Prot. Pull-Up LG 4/18..... \$ 24.30

Urinal Male Translucent..... \$ 1.06

Washbasin Root Mauve 8 Qt..... \$ 2.20

**SKILLED NURSING DAILY RATES**

Semi-Private Room..... \$ 282.00

Private Room..... \$ 314.00

LATE PAYMENT FEE ..... \$ 50.00

NOTE: Arrangements for special services not listed may be made by contacting administration.  
 Rates are subject to change with advance notice.



Westchester Harbour at Providence Place  
**Assisted Living**

Fee Schedule as of October 1, 2024

<u>ASSISTED LIVING</u>	<u>PER MONTH</u>
Semi-Private Room.....	\$ 4,480.00
Private Room.....	\$ 5,670.00

<u>MEMORY CARE UNIT</u>	<u>PER MONTH</u>
Semi-Private Room.....	\$ 5,760.00
Private Room.....	\$ 6,525.00

\*\* MEDICATIONS, CARE LEVEL FEES, INCONTINENCE AND MEDICAL SUPPLIES ARE NOT INCLUDED IN MONTHLY RATE\*\*

<u>CARE LEVELS</u>	<u>PER MONTH</u>
Care Level 1 .....	\$ 315.00
Care Level 2 .....	\$ 550.00
Care Level 3 .....	\$ 860.00
Care Level 4 .....	\$ 1,225.00
Care Level 5 .....	\$ 1,860.00

**Private Suite Charge – Assisted Living**.....\$ 1,190.00  
**Private Suite Charge – Memory Care**.....\$ 765.00

**HAIR SALON**

Open weekly by appointment. Current price list of services offered is posted in the hair salon

**LATE PAYMENT FEE** ..... \$ 40.00 per month (due date is listed on the monthly statement)  
**RETURN DRAFT FEE** ..... \$ 40.00

**TELEPHONE HOOK-UP AND MONTHLY FEE SERVICE:**

Paid by the Resident to local telephone company

**COMMUNITY FEE:** At the time of application / admission to the Harbour, each applicant will pay a one-time Community Fee of \$ 1,500.00. This fee is non-refundable and is not applied toward the first month's room charge. Residents who transfer from Westchester Manor or Westchester Villages will pay a reduced Community Fee of \$ 500.00 per person. If a spouse or partner of a current resident of the Harbour moves into the Harbour, the \$ 1,500.00 Community Fee will be waived for the second person.

NOTE: Arrangements for special services not listed may be made by contacting administration. Rates are subject to change with advance notice.

Westchester Village at Providence Place  
**Independent Living**  
Fee Schedule as of October 1, 2024

Safety Pendant Replacement.....	\$ 125.00
Meals.....	Prices Posted
Late Fee.....	\$ 20.00
Return Draft Fee.....	\$ 40.00
Pet Fee (Upon Move-In) .....	\$ 300.00
Application Fee.....	\$ 500.00
Apartment or Unit Transfer Fee .....	\$ 2,500.00

**TELEPHONE HOOK-UP AND MONTHLY FEE SERVICE:**

Paid by the Resident to local telephone company

NOTE: Arrangements for special services not listed may be made by contacting administration. Rates are subject to change with advance notice.

## Exhibit 2: Residential Lease Agreement

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**Residential Lease Agreement**

Residential Lease Agreement

Between

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(Resident)

And

Providence Place, LLC

(Landlord)

100 Leonard Avenue, Newton, NC 28658

Effective: October 1, 2024



**PROVIDENCE PLACE, LLC**

One Hundred Leonard Avenue, Newton, NC 28658

Westchester Village Apartments  
1765/1775 Westchester Drive  
High Point, NC 27262

The Cluster Homes at Providence Place  
1701 Westchester Drive, Suite 400  
High Point, NC 27262

**Residential Lease Agreement**

**1. Basic Requirements and Terms for Cancellation**

**A.** This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_ by and between \_\_\_\_\_, hereinafter referred to as *Resident*, and Providence Place, LLC, a not-for-profit Limited Liability Corporation, an EveryAge affiliate registered with the State of North Carolina, hereinafter referred to as *Corporation or Landlord*. This Residential Lease Agreement is made between the Corporation and the Resident for occupancy of the premises designated as Unit # \_\_\_\_\_ consisting of \_\_\_\_\_ bedroom(s), hereinafter referred to as *Rental Unit or Residential Living Unit*, located at \_\_\_\_\_, hereinafter referred to as the *Village*, with such Rental Unit having an address of \_\_\_\_\_, High Point, NC 28262, Unit \_\_\_\_\_.

**B. Term:**

The term of this Lease agreement shall be for a period of approximately one (1) year beginning on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and ending at 11:59 PM on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "*Term*"). The Term shall continue on a month-to-month basis after the first twelve (12) months, subject, however to the earlier termination provisions of this Lease Agreement.

**C.** This Lease Agreement is an agreement for continuing care. Either the Corporation or the Resident may terminate this Agreement at any time upon thirty (30) days advance written notice. The Corporation may terminate this Agreement at any time if there has been any material misrepresentation or omission made by the Resident on the Application Form or if there is misconduct on the part of the Resident which threatens the well-being of the Resident, that of the Resident's neighbors, or employees of the Corporation. See Section 3(b) for priority application access to facilities operated by Corporation and its affiliates.

**D.** At the effective date of termination of this Agreement, the Resident shall vacate the Rental Unit and shall leave it in good condition except for reasonable wear and tear. The Resident shall be liable to the Corporation for any costs incurred in restoring the living accommodations to good condition which are in excess of reasonable wear and tear.

**E.** If this Agreement is entered into prior to occupancy of the unit and the Resident dies before occupying the Rental Unit, or if, on account of illness, injury, or incapacity, Resident would be precluded from occupying the unit, this Agreement is automatically cancelled and the Resident or legal representative of the Resident shall receive a refund of all money or property transferred

to the Corporation, less (i) periodic charges specified in the Lease Agreement and applicable only to the period a living unit was actually occupied by the Resident; (ii) any nonstandard costs specifically incurred by the Corporation at the request of the Resident and described in the contract or any contract amendment signed by the Resident; (iii) nonrefundable fees, if set out in the contract; and (iv) a reasonable service charge, if set out in the contract, not to exceed the greater of one thousand dollars (\$1,000). Any refund due the Resident for cancellation of this Agreement under these circumstances will be made within thirty (30) days after the receipt of a written notice by the Corporation regarding this cancellation.

- F. Upon termination of this Agreement and upon complying with the provisions of this Agreement, the Corporation shall have no further obligation to the Resident or his/her heirs, executors, administrators, or assigns.

## 2. Rental Fees

### A. Security Deposit.

Unless modified by addenda, the total security deposit at the time of execution of this Lease for all residents in the Unit is \$\_\_\_\_\_, due on or before the date this Lease is signed, to be administered in accordance with the North Carolina Resident Security Deposit Act, N.C.G.S 42.50 et seq. In holding Resident's security deposit, Landlord will:

Deposit the security deposit in a trust account with (name of bank or savings institution)\_\_\_\_\_ or

Furnish a bond from (name of bonding company) \_\_\_\_\_ located at (address)\_\_\_\_\_.

The security deposit may, in Landlord's discretion, be deposited in an interest-bearing account with the bank or savings institution named above. Landlord may retain any interest earned upon the security deposit and may withdraw such interest, if any, from such account as it accrues as often as is permitted by the terms of the account.

The security deposit will be held and, upon termination of tenancy, be applied in the manner and for the purposes set forth in this Lease.

### B. Rent:

Unless modified by addenda, the Tenant shall pay to Landlord,  \$ \_\_\_\_\_ per month rent for single occupancy OR  \$ \_\_\_\_\_ per month rent for double occupancy, payable in advance and without demand. The term "Base Rent" includes the \$\_\_\_\_\_ per month storage fee that Resident is paying Landlord in order to store certain personal property of Resident in a storage unit located in the Village.

The Rent may be prorated on a per day rate and calculated based on the number of days in the calendar month in which the prorated amount is due/owed. Otherwise, the Tenant must pay the rent on or before the first (1st) day of each month (due date). Rent is not considered accepted, if the payment/ACH is rejected, does not clear, or is stopped for any reason.

The Corporation may furnish a monthly statement to the Resident for the Rental Fee and chargeable items incurred by the Resident. It is understood that the Corporation will adjust the Base Rent and fee schedule from time-to-time to reflect changes in costs.

**C. Late Charges:**

If Resident fails to pay the Base Rent in full before the end of the 5th day after it's due, Resident will be assessed a late charge not to exceed fifteen dollars (\$15.00) or five percent (5%) of the Base Rent payment due, whichever is greater. Landlord reserves and in no way waives the right to insist on payment of the Base Rent in full on the date it is due. The late fee shall be considered additional rent, and Resident will owe such late fee without Landlord having to demand it from the Resident. The Resident will also pay a charge of \$25.00, or the maximum amount allowed by law as of the date the check is tendered to Landlord (whichever is greater) for each returned check or rejected electronic payment.

**D. Acknowledgment:**

Prior to the execution of this Lease, Resident acknowledges that it paid and/or provided Landlord with the following: (i) a non-refundable lease application fee listed on the current ancillary fee schedule, (ii) a signed lease application form, (iii) a signed automatic bank draft form, (iv) a copy of the Resident's signed power of attorney, and (v) proof of Resident's income, and (vi) a security deposit equal to one month's base rent.

**E. Keys.**

The Resident will be provided, \_\_\_\_\_ unit key(s), \_\_\_\_\_ mailbox key(s), \_\_\_\_\_ FOB(s), and/or other access device(s) for access to the building and amenities at no additional cost at move-in. If the keys are lost or become damaged during tenancy or are not returned or returned damaged at the time of move out, the Resident will be responsible for the cost for the replacement and/or repair of the same. Copies of any of the above-described items may be purchased at the leasing office located in the Village.

**F. Utilities and Other Items Covered by Rent.**

The Rent includes Resident's share of the following utilities: (i) Heating and air conditioning, (ii) water, (iii) sewer, (iv) electricity, (v) cable, and (vi) internet. The Rent shall also cover Landlord's costs and expenses relating to the maintenance of the Rental Unit and the common areas and grounds located at the Village; provided, however, there are certain situations in which Resident may be liable to Landlord for costs Landlord incurs in maintaining, repairing, and replacing the Rental Unit and common areas and ground located at the Village, which situations are more particularly described herein. Resident shall be responsible for obtaining and paying for phone service and any other utilities not included in items (i)-(vi) above.

Cable channels that are provided may be changed during the lease term if the change applies to all residents. Utilities may be used only for normal household purposes and must not be wasted, if electricity is ever interrupted, Resident must use only battery-operated lighting. If any utilities are sub-metered for the Rental Unit, or prorated by an allocation formula, Landlord will attach an addendum to this Lease in compliance with state agency rules or city ordinance.



Some rental units will come furnished with a refrigerator, dishwasher, microwave, oven/range, and/or other features in the Rental Unit as described in the marketing materials describing the Village. Any upgrades requested by the Resident must be paid for by the Resident prior to the purchase of such upgrades. All such furnishings and appliances, as well as any upgrades thereto, will remain the property of the Corporation after the Resident vacates the Rental Unit.

**G. Charges at Other Providence Place Facilities.**

Charges at Providence Place at Westchester Harbour (assisted living facility) and Westchester Manor (nursing facility) will be incurred at the published per diem rate for the accommodations occupied by the Resident, plus other charges for other services not included in such per diem rate.

**H. Charges for Care in Other Health Care Facilities.**

Should Resident be transferred to another health care facility for required care and services, all expenses which will result from such transfer and related care shall be borne entirely by Resident.

**3. Tenancy**

**A. Occupancy and Use:**

The Rental Unit is to be used only as a private Rental Unit for the Resident and the Resident shall not be occupied by more than two (2) people. The Rental Unit shall not be used for any purpose other than as a private Rental Unit without the prior written consent of the Landlord. The Resident may have guests or invitees in the Rental Unit but Resident must obtain Landlord's prior written consent for any guest or invitee that will stay for more than one (1) week at the Rental Unit. If Resident desires to hire a health care aide to provide personal care and/or stay overnight in the Rental Unit, then Resident shall provide Landlord with notice of the same prior to such health care aide providing personal care to Resident.

**B. Minimum Occupancy Requirements:**

Resident acknowledges that the Village is an independent living facility, and all residents must be at least fifty-five (55) years of age in accordance with applicable Federal and State housing laws, rules, and regulations. Resident acknowledges that the Village is not a nursing home or a medical facility, and Landlord is not licensed to and shall not render medical or nursing services to Resident. However, Landlord may make food services available to Resident for a fee, which food services may be provided by a third-party and such fee shall be in addition to the Rent. Resident may arrange for home health care, transportation, and other third party services pursuant to the terms and conditions of this Lease and Resident acknowledges and agrees that the use of such services shall be pursuant to separate agreements (each a "Third Party Contract") between Resident and such provider/vendor and Resident agrees that Resident shall fully indemnify and hold harmless Landlord for any and all loss, damages, costs, and liabilities that Landlord incurs as a result of, arising out of, or relating to any Third Party Contract. Furthermore, Resident acknowledges that Landlord may, at Landlord's sole discretion, order Resident to terminate immediately any Third Party Contract that Landlord reasonably believes is harming or will harm (1) any of the residents, guests or invitees of residents, staff, and/or vendors of the Village, (2)

the condition of any portion of the Village, and/or the (3) the reputation of the Landlord and/or the Village and Resident shall terminate such Third Party Contract no later than one (1) business day after receiving notice of the same from Landlord.

**C. Relocate to Another Unit.**

If Resident desires to relocate to another unit in the Village and provides Landlord with written notice of the same then Landlord shall use commercially reasonable efforts to consider such request, but Landlord shall have no obligation to agree to such request and relocate Resident. If Landlord does agree to Resident's relocation request then Resident shall (i) vacate the Rental Unit within thirty (30) days of Landlord providing written notice of Landlord's agreement to such request for relocation, (ii) pay Landlord any and all expenses Landlord incurs in connection with re-furbishing the Rental Unit, including, but not limited to, re-painting, cleaning laminate floors/carpet, and repairing any damage to the Rental Unit caused by Resident, and (iii) execute a new lease for the new Rental Unit on terms agreeable to Landlord. To the extent this provision conflicts with any other policy relating to relocating within the Village, then the terms and conditions of this Lease shall control. A non-refundable transfer fee and costs of refurbishing the vacated unit may apply.

**D. Condition of the Rental Unit.**

Resident hereby acknowledges that (i) the Rental Unit is in a clean, safe, and good working condition and (ii) Landlord is not decorating, altering, repairing, or improving the Rental Unit except as otherwise set forth in Section 4(a) (see Landlord Maintenance) of this Lease.

**E. Landlord's Right to Access and Inspection.**

In addition to the rights provided by law, in the event of an emergency, to make repairs or improvements or to show the Rental Unit to prospective buyers or residents during reasonable hours or to conduct an annual inspection during reasonable hours or to address a safety or maintenance problem or to remove any alterations, additions, fixtures, and any other objects which may be affixed or erected in violation of the terms of this Lease, Landlord or Landlord's duly authorized agents may enter the Rental Unit. Except in cases of emergency, Resident's abandonment of the Rental Unit, court order or where it is impractical to do so, Landlord shall give Resident reasonable notice before entering. Furthermore, Landlord retains a Landlord's lien on all personal property placed upon the Rental Unit to secure the payment of Rent and any damages to the Rental Unit.

**4. Changes in Tenancy**

**A. Assignment of Lease and Subletting.**

Resident shall not sublet the Rental Unit or any portion thereof or assign this Lease without the prior written consent of Landlord which consent may be withheld in Landlord's sole and absolute discretion.

**B. Once a Resident has occupied a unit, should they choose to have anyone move in with them (including a new spouse), that person or persons will need to complete the regular admission**

process including the payment of all fees. If the application for admission is approved and the person or persons move into the unit, the original agreement will be discharged and a new agreement will be entered into at the current rate.

- C. Should a couple occupying a living unit choose to divorce and occupy separate living units, one of the Residents can remain in the occupied unit with that individual becoming solely entitled to any refund which may be later due under the Lease Agreement, and that person will continue to enjoy all rights, privileges and obligations of said agreement. A separate and new Lease Agreement must be entered into for the person moving out of the unit and into another living unit.

**D. Transfer to Assisted Living.**

Resident agrees that the Corporation shall have the authority to determine when or if a Resident should be transferred from the Rental Unit to the assisted living level of care. Such determination shall be made based on the professional opinion of the Executive Director of Providence Place and shall be made only after consultation, to the extent practical, with the Resident, a representative of the Resident's family or sponsor of Resident, the Resident's attending physician, as well as the Administrator at Westchester Harbour. Admission to the assisted living facility is contingent upon the Resident meeting the regulatory requirements for admission and upon availability. If there is no availability at Westchester Harbour, or Resident does not meet the admission requirements, Providence Place will make reasonable efforts to assist the Resident in finding placement at another community. The Resident will be given priority application access to other assisted living communities operated by EveryAge or its affiliates.

**E. Transfer to the Nursing Home.**

If it is determined by the Executive Director that the Resident needs care beyond that which can be provided by the Village, Resident may be transferred to a hospital or other center or institution equipped to give such care, which care will be at the expense of Resident. Such transfer of Resident will be made only after consultation, to the extent possible, with Resident, a representative of Resident's family or the sponsor of Resident, and Resident's attending physician.

**F. Permanent Transfers.**

If a determination is made by the Village that any transfers are permanent in nature, Resident agrees to surrender the Rental Unit. If the Village subsequently determines that the Resident can resume occupancy in any apartment, Resident shall have application priority to a comparable apartment as soon as it would become available. Resident will be obligated to pay rent for the Rental Unit until all personal belongings are removed from the Rental Unit.

- G. If at any time the Medical Director, in consultation with the administrative staff, determines the Resident is no longer able to function in a Rental Unit, the Resident will abide by that decision.

## **H. Move-Out Notice.**

Before moving out, Resident must give the Landlord's representative advance written move-out notice as provided below. The Resident move-out notice will not release Resident from liability for the full term of the Lease Agreement or renewal term., Resident will still be liable for the entire Lease Term if Resident moves out early. THE RESIDENT MOVE-OUT NOTICE MUST COMPLY WITH EACH OF THE FOLLOWING:

1. Written Notice.

Landlord must receive advance written notice of Resident's move-out date. The advance notice must be at least the number of days of notice required in Section 1(b) (see Lease Term). Oral move-out notice will not be accepted and will not terminate the Lease Agreement.

2. Resident's move-out notice shall not terminate his/her tenancy sooner than the end of the Lease Term.

RESIDENT'S NOTICE IS NOT ACCEPTABLE IF IT DOES NOT COMPLY WITH ALL OF THE ABOVE. Please use Landlord's written move-out form. Resident must obtain from Landlord's representative written acknowledgment of receipt of Resident's move-out notice. If Landlord terminates tenancy, Landlord must give Resident the same advance notice-unless Resident is in default. Where there is more than one Resident to this Lease Agreement, a notice of termination submitted by one Resident shall be considered a notice of termination submitted by all residents in the respective Rental Unit. Should there be conflicting notices, the notice of termination shall control.

3. Move-Out Procedures.

The move-out date cannot be changed unless Landlord and Resident both agree in writing. Resident will not move out before the Lease Term ends, unless all rent for the entire Lease Term is paid in full. Early move-out may result in reletting charges. Resident will not stay beyond the date Resident is supposed to move out. All residents and guests must vacate the subject unit and Village before the 30-day period for deposit refund begins. Resident must give Landlord and the U.S. Postal Service, in writing, each Resident's forwarding address. Resident shall pay any and all utility bills due for any utility services to the premises for which Resident is responsible. At or before the time of move-out and surrender of possession, Resident will provide Landlord with written authorization allowing Resident to dispose of any personal property left in the premises by Resident upon surrendering the keys. Resident understands and acknowledges that Resident's failure to provide such written authorization and/or to remove all personal property from the premises shall constitute Resident's continued possession of the premises requiring Landlord to file an action for summary ejectment to regain possession of the premises. Should Landlord be required to file such action Resident will be responsible for any rental obligation that comes due until such time as Landlord is placed in lawful possession of the premises.

a. Cleaning.

Resident must thoroughly clean the apartment, including doors, windows, furniture, bathrooms, kitchen appliances, patios, balconies, and storage rooms. Resident must follow move-out cleaning instructions if they have been provided. If Resident does not clean adequately, Resident will be liable for reasonable cleaning charges necessary to complete the cleaning to the satisfaction of Landlord.

b. Move-Out Inspection.

Resident shall meet with Landlord's representative for a move-out inspection upon the date of completion of Resident's move-out. Landlord's representative has no authority to bind or limit Landlord regarding deductions for repairs, damages, or charges. Any statements or estimates by Landlord or Landlord's representative are subject to Landlord's correction, modification, or disapproval before final refunding or accounting.

c. Security Deposit Deductions and Other Charges.

Landlord may deduct sums from Resident's security deposit for charges related to the following: Resident's possible non-payment of rent, costs of water and sewer services provided (if applicable), damage to the premises, damage or destruction of smoke detectors or carbon monoxide detectors, nonfulfillment of the rental period, any unpaid bills that become a lien against the demised property due to Resident's occupancy, costs of re-renting the premises after breach by Resident, including but not limited to any reasonable fees or commissions paid by the landlord to a licensed real estate broker to re-rent the premises, costs of removal and storage of Resident's property after a summary ejectment proceeding, court costs, or any other fee authorized by N.C. GEN. STAT. §42-46.

d. Deposit Return, Surrender, and Abandonment.

i. Deposit Return and Forwarding Address.

Resident is required to provide Landlord written notice of Resident's forwarding address, on or before termination of this Lease Agreement. If Landlord can determine the full extent of Landlord's deductions from Resident's security deposit, Landlord will mail Resident, to the forwarding address Resident provides, Resident's security deposit refund (less lawful deductions) and an itemized accounting of any deductions no later than 30 days after termination of tenancy under this Lease Agreement and delivery of possession by Resident, unless statutes provide otherwise. If Landlord cannot determine the full extent of Landlord's deductions from Resident's security deposit within the aforementioned 30 day period, Landlord will mail Resident an interim itemized accounting of Landlord's deductions from the deposit within 30 days after termination of tenancy under this Lease Agreement and delivery of possession by Resident, and Landlord will also mail Resident's security

deposit refund (less lawful deductions) and a final itemized accounting of any deductions no later than 60 days after termination of tenancy under this Lease Agreement and delivery of possession by Resident. If Resident fails to provide Landlord with a forwarding address in writing, as required above, Landlord will process the unclaimed security deposit in accordance with state law. To the extent there are multiple residents under the Lease Agreement, Resident hereby acknowledges that Landlord may issue any deposit refund to one or all of the residents and it shall be up to the residents to divide accordingly.

ii. Surrender.

Resident has surrendered the Rental Unit when: (1) the move-out date has passed, and no one is living in the apartment in Landlord's reasonable judgment; or (2) all apartment keys and access devices listed in Section 2(e) (see Keys) have been turned in where rent is fully paid- whichever date occurs first.

iii. Abandonment.

Resident has abandoned the Rental Unit when all of the following have occurred: (1) everyone appears to have moved out in Landlord's reasonable judgment; (2) clothes, furniture, and personal belongings have been substantially removed in Landlord's reasonable judgment; (3) Resident has been in default for non-payment of rent for 5 consecutive days or water, gas, or electric service for the Rental Unit not connected in Landlord's name has been terminated; and (4) Resident has not responded for 5 days to Landlord's notice left on the inside of the main entry door, stating that Landlord considers the Rental Unit abandoned. A Rental Unit is also "abandoned" 14 days after the death of a sole Resident.

iv. Surrender, abandonment, and/or judicial eviction end Resident's right of possession for all purposes and gives Landlord the immediate right to: clean up, make repairs in, and relet the Rental Unit, and determine any security deposit deductions. Surrender, abandonment, and/or judicial eviction affect Resident's rights to property left in the Rental Unit as described in Section 6(e) (see Eviction or Summary Ejectment and Property Left in the Rental Unit), but do not affect Landlord's mitigation obligations as described in Section 6(d) (see Default by Resident).

## **I. Termination of Tenancy in Limited Situations.**

If Resident moves to any facility or property owned by Landlord or an affiliate of Landlord, then Landlord and Resident agree that this Lease shall terminate as of the day in which Resident moves to such facility. If Resident is enlisted or drafted or commissioned into the U.S. Armed Forces, then Resident may terminate this Lease if: (a) Resident is (i) a member of the U.S. Armed Forces or reserves on active duty or (ii) a member of the National Guard called to active duty for more than thirty (30) days in response to a national emergency declared by the President; and (b) Resident is either (i) given change-of- station orders to permanently depart the local area, (ii) deployed with a military unit for ninety (90) days or more, or (iii) relieved or

released from active duty. After Resident delivers to Landlord Resident's written termination notice, the Lease will be terminated under this military clause thirty (30) days after Landlord's receipt of the notice. Resident must furnish Landlord a copy of Resident's permanent change-of-station orders, call-up orders, or deployment orders or letter. Military permission for base housing doesn't constitute a permanent change-of-station order. If Resident or any co-Resident is a dependent of a servicemember covered by the U.S. Servicemembers Civil Relief Act, the Lease may not be terminated under this paragraph without applying to a court and showing that Resident's ability to comply with the Lease is materially affected by reason of the servicemember's military service. A co-Resident who is not Resident's spouse or dependent cannot terminate under this military clause. If Resident terminates the Lease under this section 14 or more days before occupancy, no damages or penalties of any kind shall be due.

**J. Hold-Over.**

If Resident shall hold over after the expiration of the Term or the termination of the Lease, whichever is applicable, Resident shall, in the absence of any written agreement to the contrary, be a Resident from month to month, as defined by applicable North Carolina law, at the Rent in effect during either the last month of the expiring term or the month in which the Lease was terminated, whichever is applicable, plus fifty percent (50%). All other terms and provisions of this Lease shall remain in full force and effect. In the event Resident becomes a month-to-month Resident in the manner described above, Resident shall be required to provide Landlord, in advance, thirty (30) days' prior written notice of Resident's intention to surrender the Rental Unit. Landlord, at Landlord's discretion, at any time during a month-to-month tenancy, may terminate the month-to-month tenancy or Lease by serving Resident with a written notice of termination, or by any other means allowed law. Upon termination, Resident shall vacate the Rental Unit and deliver same unto Landlord on or before the expiration of the period of notice.

**5. Health Care**

**A. Emergency Assistance.**

**The rental units come equipped with call systems (pullcords) in bathrooms along with pendants for each Resident.** The Resident may elect to purchase additional equipment and services for their own personal assistance device. Residents are not permitted to install any emergency assistance device/equipment in a Rental Unit or common area without the prior, written approval from the Landlord.

**B. Health Care.**

Residents of the Village will have priority application access to assisted living and skilled nursing care at the adjacent facilities operated by its affiliates. A Resident must meet all of the regulatory and admission requirements to receive assisted living or skilled nursing care. The Village cannot guarantee that a room will be available at the time a Resident needs a higher level of care; in the event that there is no availability and/or the Resident does not qualify for such admission, the Village will make every effort to assist the Resident in finding placement in another community. The Resident will be given priority access to other assisted living and skilled nursing communities owned and operated by affiliates of EveryAge.

## **6. Resident Obligations**

### **A. Landlord Maintenance.**

Landlord shall: (a) Comply with the applicable building and housing codes; (b) make all repairs and do whatever is necessary to put and keep the Rental Unit in a fit and habitable condition; provided, however, if Landlord made a repair that was necessary due to the fault of Resident even if such repair was of an “imminently dangerous condition” (as defined in N.C.G.S. Section 42-42(a)(8)), then Resident shall reimburse Landlord for Landlord’s actual and reasonable repair costs incurred for such repair within thirty (30) days of Landlord providing Resident with a written request of the same, (c) keep all common areas of the Village in safe condition; (d) maintain in good and safe working order and promptly repair all facilities and appliances supplied or required to be supplied by Landlord; and (e) Provide operable smoke detectors and/or carbon monoxide detectors and replace or repair the smoke and/or carbon monoxide detectors within fifteen (15) days of receipt of Resident’s written notification of the same to Landlord.

### **B. Resident Maintenance.**

Resident shall: (a) Keep the Rental Unit as clean and safe as the conditions of the Rental Unit permit and cause no unsafe or unsanitary conditions in the common areas and remainder of the Village that Resident uses, (b) dispose of all rubbish, garbage, and other waste in a clean and safe manner, (c) keep all plumbing fixtures in the Rental Unit used by Resident as clean as their condition permits, (d) not deliberately or negligently destroy, deface, damage, or remove any part of the Rental Unit, nor render inoperable the smoke detector and/or carbon monoxide detector provided by Landlord, or knowingly permit any person to do so, (e) comply with any and all obligations imposed upon Resident by current applicable building and housing codes, (f) be responsible for all damage, defacement, or removal of any property inside any building or improvement located on the Village in Resident's exclusive control unless the damage, defacement or removal was due to ordinary wear and tear, acts of Landlord or Landlord's agent, defective products supplied or repairs authorized by Landlord, acts of third parties not invitees of Resident, or natural forces, (g) notify Landlord, in writing, of the need for replacement of or repairs to a smoke detector and/or carbon monoxide detector. Landlord shall ensure that a smoke detector and a carbon monoxide detector are operable and in good repair at the beginning of each tenancy. Landlord shall place new batteries in a battery-operated smoke detector and carbon monoxide detector at the beginning of the Term and Resident shall replace the batteries as needed during the remainder of the Term except where the smoke alarm is a tamper resistant, ten (10) year lithium battery smoke alarm, and (g) Resident shall return the Rental Unit to the Landlord at the end of the Term in the same condition that Resident received on the first day of this Lease, reasonable wear and tear excepted.

### **C. Damages.**

Resident shall be responsible for all damage, defacement, or removal of any property inside the Rental Unit in Resident’s exclusive control unless the damage, defacement, or removal was due to ordinary wear and tear, acts of the Landlord or the Landlord’s agent, defective products supplied or repairs authorized by Landlord, acts of third parties not invitees or guests of the



Resident, or due to natural forces. Resident will promptly reimburse Landlord for all lost rents, losses, damages, government fines, or costs of repairs or service in the Village resulting, directly or indirectly, from Resident(s), guests, invitees, agents or visitors. The parties expressly agree that NCGS 42-10 shall not apply to Resident's tenancy and, as such, Resident shall be strictly liable for any damage incurred by Landlord, including but not limited to lost rent, even where the premises is not habitable. Unless the damage or any wastewater stoppage is due to Landlord's negligence, Landlord is not liable for, and Resident must pay for, any and all repairs, replacement costs, and damages to the following that result from Resident or Resident's invitees, guests or agent's negligence or intentional acts: (1) damage to doors, windows, or screens; (2) damage from windows or doors left open; (3) filthy ovens, refrigerators, kitchen floors, cabinets or bathrooms; (4) drink stains on laminate floors/carpet, (5) unauthorized paint colors; and (6) damage from wastewater stoppages caused by improper objects in lines exclusively serving Resident's Rental Unit.

Landlord may require payment at any time, including advance payment of repairs for which Resident is liable. Delay in Landlord demanding sums owed by Resident is not a waiver. Regardless of whether or not Resident pays for the damage, Landlord may still declare a default of the Lease and terminate Resident's right to possession of the premises pursuant to the Lease.

#### **D. Casualty Loss.**

Resident shall immediately notify Landlord of any damage to the Rental Unit by fire, flooding, or other casualty not caused by Landlord, including any type of catastrophic damage which renders the Rental Unit or a substantial portion of the Rental Unit, uninhabitable. Landlord is not liable to Resident or any invitee or guest of Resident, or occupant of the Rental Unit and/or the remaining portion of the Village for personal injury or damage or loss of personal property from any cause, including but not limited to: fire, smoke, rain, flood, water and pipe leaks, hail, ice, snow, lightning, wind, explosions, earthquake, interruption of utilities, theft, or vandalism unless otherwise required by law. Furthermore, where such damage is not caused by Landlord, Landlord shall have no obligation to provide alternative housing for Resident or to pay relocation expenses associated with vacating the Rental Unit. During freezing weather, Resident must ensure that the temperature in the Rental Unit is sufficient to make sure that the pipes do not freeze (the appropriate temperature will depend upon weather conditions and the size and layout of the Rental Unit). If the pipes freeze or any other damage is caused by Resident's failure to properly maintain the heat in the Rental Unit, Resident shall be liable for damage to Landlord's property and other Resident's property to the extent permitted by law. No agent or employee of Landlord shall be sent out to the Rental Unit or the remaining portion of the Village by Resident at any time for any purpose, and no agent or employee of Landlord shall perform any service at the request of Resident other than ordinary duties assigned by Landlord. If Resident asks Landlord's agent or employee to perform services not contemplated in this Lease, Resident will indemnify Landlord and hold Landlord harmless from any and all liability for those services. Notwithstanding anything else contained in this Lease to the contrary, Resident is responsible for and shall be held liable for any and all losses, damages, fines, costs and/or liabilities that Landlord incurs as a result of Resident violating the terms and conditions of this Lease, and Resident agrees

that Resident shall be responsible for and shall be held liable for any and all actions of any person(s) who occupy and/or visit the Rental Unit in violation of the terms and conditions of this Lease, including, but not limited to, property damage, disturbance of other residents, and violence or attempted violence to another person. In accordance with applicable law, without limiting Resident's liability, Resident agrees that Landlord shall have the right to collect against any renter's or liability insurance policy maintained by Resident for any losses or damages that Landlord incurs as the result of any violation of the terms of this Lease.

**E. Hazards.**

Resident shall not do, or knowingly permit to be done, any act or thing which will invalidate or be in conflict with the fire insurance policies covering the Village or permit anything to be done in or upon the Village or bring or keep anything therein or thereon which will increase the rate of fire insurance on the Village. Resident is responsible for insuring their own personal property and agrees not to hold Landlord responsible for any personal property loss. Similarly, Landlord does not maintain insurance to cover Resident's personal property or personal injury. Landlord is not responsible to any Resident, guest, or occupant for damage or loss of personal property or personal injury from (including, but not limited to) fire, smoke, rain, flood, water and pipe leaks, hail, ice, snow, lightning, wind, explosions, earthquake, interruption of utilities, theft, hurricane, negligence of other residents or invited/uninvited guests, or vandalism unless otherwise required by law. Neither Resident nor others may disable smoke detectors and carbon monoxide detectors. In connection with the above, Resident shall maintain at all times during the Term and any renewal thereof, at Resident's sole cost and expense, a renter's insurance policy, or its equivalent, issued by a licensed insurance company naming Landlord as an additional insured in minimum policy coverage amounts of \$20,000 for personal property coverage, \$100,000 for general liability coverage, and no more than \$500 deductible, and Resident shall at all times during the Term and any renewal thereof provide Landlord with proof of such insurance to Landlord's reasonable satisfaction. If Resident allows the above-described renter's insurance to lapse, then such failure shall constitute a default under the Lease and Landlord shall be entitled to all remedies set forth in Section 5(b) (see Default by Resident) of this Lease. All insurance policies of Resident required hereunder shall provide that written notice shall be sent to Landlord at least thirty (30) days prior to the policy being terminated or in the event of non-renewal of such policy.

Resident acknowledges that no portion of the rent paid by Resident under this Lease will be specifically allocated for the purchase of the owner's structural fire insurance, though the Landlord may use a portion of the gross rental proceeds obtained from all rental units in the Village to purchase such structural fire insurance, and in such an event, that Resident is in no way a coinsured under any such policy.

**F. Automobiles/Boats/Recreational Vehicles.**

The following policies are in addition to those in the Lease and may be modified by the additional rules in effect for the Village (as more particularly described in Section 5(a) (see Community Policy and Rules) of this Lease at any given time: (a) No more than two (2) vehicles per unit are allowed on a first come, first serve basis, (2) all vehicles must be operable and registered with the

management office of the Village and all vehicles must have a current license plate and current registration and/or inspection, (3) any vehicle(s) not registered, considered abandoned, or violating the Lease or the additional rules in effect for the Village at any given time, in the sole judgment of the Landlord, may be towed at the vehicle owner's expense after a twenty-four (24) hour notice is placed on the vehicle and a vehicle shall be deemed abandoned if it is not driven off of the Village at least once a month, (4) notwithstanding the above, any vehicle illegally parked in a fire lane, designated no parking space or illegally in a handicapped space, or blocking an entrance, exit, driveway, dumpster, or parked illegally in a designated parking space, will immediately be towed, without notice, at the vehicle owner's expense, and (5) any on property repairs and/or maintenance of any vehicle cannot take place without the prior written permission of the Landlord.

#### **G. Guests.**

Resident's guests, invitees and/or agents are subject to same terms and conditions of Lease that Resident is subject to and any action or inaction by any guest, invitee or agent of Resident that violates this Lease shall constitute a default by Resident under this Lease and in addition to such default Landlord may immediately require the offending guests and/or invitees and/or agents to vacate the Village.

#### **H. Smoke-Free Policy and Alcohol Policy.**

No smoking shall be permitted in the Rental Unit or on any other portion of the Village. Alcohol use is only permitted in the Rental Unit unless otherwise prior approved by the Executive Director. Other than alcohol use in the Rental Unit and any legally prescribed prescription drugs, no illegal drug use is permitted in either the Rental Unit or any other portion of the Village. Disorderly conduct and/or public intoxication is strictly prohibited within the Village.

#### **I. Pets.**

No pets are allowed in the Rental Unit or on the Village unless (i) Resident has paid Landlord a non-refundable \$300 per pet deposit, (ii) the pet is less than 40 pounds, (iii) Resident has provided Landlord with documentation satisfactory to Landlord that such pet is up to date with all shots and vaccinations, and (iv) Landlord has approved of the pet in writing. If Resident satisfies items (i)-(iv) above, then Resident acknowledges and agrees that (1) a maximum of one (1) pet per Rental Unit is allowed subject to the terms and conditions of this Section, (2) Resident shall keep such pet up to date with all shots and vaccinations at all times during the term, (3) Resident shall be responsible for paying any and all damage caused by such pet, (4) Resident shall pay a per pet per month fee as set forth in the applicable Animal Addendum, and (5) Tenant shall comply at all times with the applicable pet policy Landlord has in effect for the Village. Notwithstanding the above, Resident shall be permitted to have a service animal in the Rental Unit as long as Resident provides Landlord with satisfactory documentation that Resident qualifies for a service animal under the federal Fair Housing Act and any other applicable law and, in connection therewith, Resident agrees that at all times during the Term Resident shall (a) keep such pet up to date with all shots and vaccinations during the term, (b) be responsible for paying any and all

damage caused by such pet, and (c) comply at all times with the applicable pet policy Landlord has in effect for the Village.

**J. Alterations.**

Resident shall not make any alteration to the Rental Unit (including, but not limited to, (i) painting, (ii) wallpapering, (iii) flooring/carpeting, (iv) installing or removing ceiling fans, lighting fixtures, countertops, or back splashes, (v) tinting windows, and (vi) floor waxing) without the express prior written consent of Landlord and, in the event Landlord provides such consent, then (a) only the Landlord's maintenance manager, department, or vendor—and not the Resident—shall make the alteration and Resident shall reimburse Landlord for any and all costs Landlord incurs, including, but not limited to, labor and cost of materials, in connection with such alteration no later than ten (10) days after Landlord completes such alteration and provides Resident with a written request of such reimbursement. Resident and Landlord agree that any alteration shall become the property of the Landlord unless Landlord decides otherwise in writing.

**K. Disturbances and Violation of Laws.**

Resident, guests, invitees and agents of Resident shall not use the Rental Unit for any unlawful or offensive purpose and shall comply fully with all applicable federal, state and local laws and ordinances, including laws prohibiting the use, possession or sale of illegal drugs. Resident, guests, invitees and agents of Resident shall not use the Rental Unit in a manner offensive to others, including, but not limited to, playing the volume of any radio, phonograph, television, speaker, phone, or other electronical or musical device at a level that disturbs any other Resident or nearby Resident of the Village. Resident, guests, invitees and agents of Resident shall not create a nuisance by annoying, disturbing, inconveniencing or interfering with the quiet enjoyment of any other Resident or nearby Resident of the Village. Residents, guests, invitees or agents of Resident shall not engage in any of the following activities: disturbing or threatening the rights, comfort, health, safety, or convenience of others (including Landlord's agents and/or employees) in or near the Village; disrupting business operations, engaging in criminal activity of any kind; engaging in or threatening violence; possessing a weapon prohibited by state law; displaying or possession of a knife or other weapon in the common area in a way that may alarm other. Neither Resident nor any of Resident's guests, invitees or agents shall be permitted to carry or possess a firearm in the Rental Unit or on any other portion of the Village. Resident agrees to immediately inform Landlord and the appropriate authorities upon obtaining actual knowledge of any illegal acts on or upon the Premises.

**7. Lease Agreement Concerns**

**A. Community Policies and Rules.**

Landlord has the right to make rules that govern and apply to the Village and Landlord has provided Resident with a written copy of such current rules, including, but not limited to, the disclosure statement, the pet policy, as of the day hereof and Resident hereby agrees that it shall abide by, comply with, and follow such rules at all times during the term. Landlord's rules are considered part of this Lease and are fully incorporated herein by reference. Landlord has the

right to make reasonable changes to such rules from time to time as long as Landlord distributes a written copy of any changes to Resident.

Landlord reserves the right to set the days and hours of use of all amenities within the Village and to change the character of, or close, any amenity based upon Landlord's needs and in Landlord's sole and absolute discretion, without notice, obligation or recompense of any nature to Resident.

**B. Default by Resident.**

In the event Resident violates any terms or conditions of this Lease or any Lease addenda or fails to perform any promise, duty or obligation Resident has agreed to or imposed upon Resident by law, then Landlord, in addition to all other rights and remedies provided by law, may, at Landlord's option and with or without notice to Resident, either (1) terminate this Lease or (2) terminate Resident's right to possession of the premises without terminating this Lease. Regardless of whether Landlord terminates this Lease or only terminates Resident's right of possession without terminating this Lease, Landlord shall be immediately entitled to possession of the premises and Resident shall peacefully surrender possession of the premises to Landlord immediately upon demand. In the event that Resident fails to surrender possession, Landlord shall re-enter and re-take possession thereof through a summary ejectment proceeding or expedited eviction proceeding as provided by North Carolina law. In the event that Landlord terminates the Lease, all of the duties under this Lease Agreement shall terminate and Landlord shall be entitled to collect from Resident all accrued and unpaid rents, and damages arising under this Lease.

If Landlord brings a suit against Resident for summary ejectment, the Guilford County sheriff department or other legal authority may remove Resident's personal property from the Rental Unit within seven (7) days from the time the sheriff or other legal authority executes the Writ of Possession. Resident must retake possession of his/her property if it is removed by the sheriff or other legal authority. If Resident does not do so, the sheriff or other legal authority may arrange for storage of Resident's property, and Resident will be liable for the costs of the proceedings and the storage of Resident's property.

If this Lease is terminated, Landlord shall return all prepaid and unearned rent, and any amount of the security deposit recoverable by the Resident, if any. Upon Landlord's termination of this Lease, Resident expressly agrees and understands that the entire remaining balance of unpaid rent for the remaining Term shall ACCELERATE, whereby the entire sum shall become immediately due, payable, and collectible. In the event Landlord terminates Resident's right of possession without terminating this Lease Agreement, Resident shall remain liable for the full performance of all the covenants and obligations hereunder including, without limitation, payment of all rents, and Landlord shall use reasonable efforts to re-rent the premises on Resident's behalf and Resident shall remain liable for any resulting costs, deficiencies or damages. Any such rentals reserved from re-renting shall be applied first to the cost of re-renting the premises and then to the rentals due under this Lease Agreement. Reentry shall not bar the right of recovery of rent or damages for breach of covenants, nor shall the partial receipt of rent after conditions broken be deemed a waiver of forfeiture, as provided by applicable laws. In order to entitle Landlord to

re-enter and/or terminate this Lease Agreement for default, it shall not be deemed necessary to give notice of rent being due and unpaid or of other conditions broken or to make demands for rent, the execution of this Lease signed by Resident and Landlord being sufficient notice of all terms of this Lease Agreement including notice of the rent being due and demand for the same. Landlord shall have all rights granted pursuant to N.C.G.S. §42-25.9 and §42-25.6.

**C. Other Remedies.**

Landlord may report to credit agencies any unpaid amounts due from Resident hereunder. If Resident defaults and moves out early, Resident will pay Landlord all sums due and owing. Upon Resident's default, Landlord has all other legal remedies, including lease termination and summary ejectment under North Carolina law, and any other legal remedies at law or in equity, and Landlord may recover from Resident all reasonable attorneys' fees and litigation costs incurred by Landlord to the extent permitted by law.

**8. Other Considerations**

**A. Entire Agreement.**

This Lease, any addenda and any attachments hereto constitute the final and entire Lease between the parties hereto, and no promises or representations, other than those contained herein and those implied by law, have been made by Landlord or Resident. Neither Landlord nor Resident shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained unless made in writing and signed by both Landlord and Resident or unless set forth in Resident's application.

**B. Waiver.**

Any waiver of a default hereunder shall not be deemed a waiver of this Lease or of any subsequent default. Acquiescence in a default shall not operate as a waiver of such default, even though such acquiescence continues for an extended period of time.

**C. Disclosure Rights.**

If someone requests information on Resident or Resident's rental history for law enforcement, governmental, or business purposes, Landlord may provide it.

**D. Subordination.**

Resident agrees to accept the Rental Unit subject to and subordinate to any existing or future mortgage, deed of trust, or other lien executed by Landlord and secured by the Village premises, and Landlord reserves the right to subject the Rental Unit to same. Resident agrees to and hereby irrevocably grants Landlord power of attorney for Resident for the sole purpose of executing and delivering in the name of the Resident any documents, including, without limitation, any subordinations, related to the Landlord's right to subject the Rental Unit to a mortgage, a deed of trust, or other lien.

**E. Force Majeure.**

If Landlord is prevented from completing performances of any obligations hereunder by an act of God, strikes or other forms of labor disturbances, government regulations and/or embargoes, shortages of labor or materials, epidemics, pandemics, war, acts of terrorism, riots, flood, fire, hurricane, tornado, sabotage, or other occurrence which is beyond the control of the parties, then Landlord shall be excused from any further performance of obligations and undertakings hereunder, to the full extent allowed under applicable law. Furthermore, if such an event damages the Rental Unit and/or Village, to materially affect its habitability by some or all residents, Landlord reserves the right to vacate and terminate the Lease and Resident agrees to excuse Landlord from any further performance of obligations and undertakings under this Lease.

**F. Severability.**

If any provision of this Lease Agreement or Addenda are invalid or unenforceable under applicable law, such provision shall be ineffective to the extent of such invalidity or unenforceability only without invalidating or otherwise affecting the remainder of this Lease Agreement. The court shall interpret the lease and provisions herein in a manner such as to uphold the valid portions of this Lease Agreement while preserving the intent of the parties.

**G. Notice.**

Whenever notice shall or may be given to either of the parties by the other, each such notice shall be in writing and sent by reputable overnight courier such as Federal Express or UPS or certified or registered mail with return receipt requested or other means of personal service (including by a reputable courier service or professional messenger service) at the respective addresses of the parties as contained herein or to such other address as either party may from time to time designate in writing to the other.

**H. Governing Law and Venue.**

This Lease shall be governed by the laws of the state of North Carolina. The venue for any legal claims or disputes arising hereunder shall be the Courts located in Guilford County, North Carolina.

**I. Originals and Attachments.**

This Lease Agreement and addenda has been executed in multiple originals, with original signatures. Landlord will provide Resident with a copy of the Lease Agreement and addenda. Resident's copy of the Lease Agreement and addenda may be in paper format, in an electronic format at Resident's request, or sent via e-mail if Landlord has communicated by email about this Lease. Landlord rules and community policies, if any will be attached to the Lease Agreement and addenda and provided to Resident at signing. When an Inventory and Condition form is completed, Resident should retain a copy, and Landlord should retain a copy. Any addenda or amendments Resident signs as a part of executing this Lease Agreement and addenda are binding and hereby incorporated into and made part of the Lease Agreement and addenda between Resident and Landlord. This Lease or any addenda is the entire agreement between Resident and Landlord. Resident acknowledges that Resident is NOT relying on any oral representations. A

copy or scan of this Lease Agreement and related addenda, amendments, and agreements may be used for any purpose and shall be treated as an original.

EveryAge is affiliated with the Southern Conference of the United Church of Christ. The Board of Directors consists of members selected for three-year terms. Terms of office are staggered so that six members of the Board are selected each year by the Southern Conference at its annual meeting. The non-profit corporation, operating under the Articles of Incorporation, is solely responsible for the management of the community and for its financial and contractual obligations. Neither the Southern Conference of the United Church of Christ or any other unit of the United Church of Christ is responsible for such obligations.

**Signature on the following page.**



**Resident is legally bound by this document. Read it carefully before signing.**

The undersigned representative of Providence Place, LLC and the undersigned Resident do hereby certify that on this date a current copy of the Disclosure Statement dated \_\_\_\_\_ and a current copy of the Resident Handbook have been presented to the Resident(s) and that the Rental Fee has been explained to the Resident(s). Prior to execution of this Residential Lease Agreement, the Resident(s) had the opportunity to obtain the assistance of counsel in reviewing its terms.

The parties hereby execute this Lease Agreement:

\_\_\_\_\_ By: \_\_\_\_\_  
Date Resident

\_\_\_\_\_ By: \_\_\_\_\_  
Date Resident

**Providence Place, LLC**

\_\_\_\_\_ By: \_\_\_\_\_  
Date Authorized Representative/Title

\_\_\_\_\_ By: \_\_\_\_\_  
Date Executive Director/Administrator

**PROVIDENCE PLACE, LLC**

One Hundred Leonard Avenue, Newton, NC 28658

**ANIMAL ADDENDUM  
Becomes part of Lease Agreement**

*Please note: We consider animals a serious responsibility and a risk to each Resident in the Village. If you do not properly control and care for your animal, you will be held liable if it causes any damage or disturbs other residents.*

In this document, the terms “you” and “your” refer to all residents listed below and all occupants or guests; and the terms “we,” “us,” and “our” refer to the Corporation named in the Residential Lease Agreement (not to the Executive Director or anyone else).

**1. Rental Unit Description.**

Street Address	City	State	Unit #
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**2. Residential Lease Agreement Description.**

Agreement Date: \_\_\_\_\_

Corporation’s Name: Providence Place, LLC

Residents (list all residents):

\_\_\_\_\_  
\_\_\_\_\_

This Addendum constitutes an Addendum to the above-described Residential Lease Agreement for the above-described premises and is hereby incorporated into and made a part of such Residential Lease Agreement. Where the terms or conditions found in this Addendum vary or contradict any terms or conditions found in the Residential Lease Agreement, this Addendum shall control.

**3.  No Approved Animals.** If this box is checked, you are not allowed to have animals (including mammals, reptiles, birds, fish, rodents, and insects), even temporarily, anywhere in the Rental Unit or Village unless we have authorized so in writing. We will authorize support and/or service animals for you, your guests, and occupants pursuant to the parameters and guidelines established by the Fair Housing Act, HUD regulatory guidelines, and any applicable state and/or local laws.

**Conditional Authorization for Animal.** If this box is checked, you may keep the animal that is described below in the Rental Unit until the Lease Agreement expires. But we may terminate this authorization sooner if your right of occupancy is lawfully terminated or if in our judgment you and your animal, your guests, or any occupant violate any of the rules in this Addendum.

**4. Animal Deposit.** An animal deposit of \$\_\_\_\_\_ will be charged. We (*check one*)  will consider, or  will not consider this additional security deposit as part of the general security deposit for all purposes. The security deposit amount in the Security Deposit paragraph of the Lease Agreement

(check one)  does or  does not include this additional deposit amount. Refund of the animal deposit will be subject to the terms and conditions set forth in the Lease Agreement regardless of whether it is considered part of the general security deposit.

5. **Additional Monthly Rent.** Your total monthly rent (as stated in the Lease Agreement) will be increased by \$\_\_\_\_\_. The monthly rent amount in the Rent and Charges paragraph of the Lease Agreement **does** not include this additional rent.
6. **Additional Fee.** You must also pay a one-time nonrefundable fee of \$\_\_\_\_\_ for having each animal in the Rental Unit. It is our policy to not charge a deposit for support animals.
7. **Liability Not Limited.** The additional monthly rent and additional security deposit under this Animal Addendum do not limit residents' liability for property damages, cleaning, deodorization, defleaing, replacements, or personal injuries.
8. **Description Of Animal(s).** You may keep only the animal(s) described below. You may not substitute any other animal(s). Neither you nor your guests or occupants may bring any other animal(s)-mammal, reptile, bird, amphibian, fish, rodent, arachnid, or Insect-into the Rental Unit or Village. You are required to submit a copy of the animal(s) listed below up to date vaccination record prior to bringing the animal(s) into the Rental Unit. You must keep all vaccinations current during the Term of the Lease.

Animal's Name: \_\_\_\_\_

Type: \_\_\_\_\_

Breed: \_\_\_\_\_

Color: \_\_\_\_\_ Weight: \_\_\_\_\_ Age: \_\_\_\_\_

City of license: \_\_\_\_\_ License No: \_\_\_\_\_

Date of last rabies shot: \_\_\_\_\_ Housebroken?  Yes  No

Animal Owner's Name: \_\_\_\_\_

9. **Special Provisions.** The following special provisions control over conflicting provisions of this printed form:

The Monthly Pet Rent shall be considered "Per Pet." One time pet fee is \$300. Maximum of one pet is allowed. The fees do not apply to qualified support or assistance animals.

10. **Emergency.** In an emergency involving an accident or injury to your animal, we have the right, but not a duty, to take the animal to the following veterinarian for treatment at your expense.

Doctor: \_\_\_\_\_

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

Phone: \_\_\_\_\_

11. **Animal Rules.** You are responsible for the animal's actions at all times. You agree to abide by the following rules:

- The animal must not disturb the neighbors or other residents, regardless of whether the animal is inside or outside the Rental Unit.
  - Dogs, cats, and support animals must be housebroken. All other animals must be caged at all times. No animal offspring are allowed.
  - Inside, the animal may urinate or defecate only in these designated areas: Litter Box
  - Outside, the animal may urinate or defecate only in these designated areas: Designated pet area or off property grounds.
  - Animals may not be tied to any fixed object anywhere outside the Village, except in fenced yards (if any) for your exclusive use.
  - You must not let an animal other than support animals into restricted areas as posted.
  - Your animal must be fed and watered inside the Rental Unit. Do not leave animal food or water outside the Rental Unit at any time, except in fenced yards (if any) for your exclusive use.
  - You must keep the animal on a leash and under your supervision when outside the Rental Unit or any private fenced area. We or our representative may pick up unleashed animals and/or report them to the proper authorities. We may impose reasonable charges for picking up and/or keeping unleashed animals.
  - Unless we have designated a particular area in your Rental Unit or on the grounds for animal defecation and urination, you are prohibited from letting an animal defecate or urinate anywhere on our property. You must take the animal off our property for that purpose. If we allow animal defecation inside the Rental Unit in this Addendum, you must ensure that it is done in a litter box with a kitty litter type mix. If the animal defecates anywhere on our property (including in a fenced yard for your exclusive use), you will be responsible for immediately removing the waste and repairing any damage. Despite anything this Addendum says, you must comply with all local ordinances regarding animal defecation.
- 12. Additional Rules.** We have the right to make reasonable changes to the animal rules from time to time if we distribute a written copy of any changes to every Resident who is allowed to have animals.
- 13. Violation Of Rules.** If you, your guest, or any occupant violates any rule or provision of this Animal Addendum (based upon our judgment) and we give you written notice, you must permanently remove the animal from the premises within the time period specified in our notice. We also have all other rights and remedies set forth in the Lease Agreement, including damages, eviction, and attorney's fees to the extent allowed by law.
- 14. Complaints About Animal.** You must immediately and permanently remove the animal from the premises if we receive a reasonable complaint from a neighbor or other Resident or if we, in our sole discretion, determine that the animal has disturbed neighbors or other residents.
- 15. Liability For Damages, Injuries, Cleaning, Etc.** You and all co-residents will be jointly and severally liable for the entire amount of all damages caused by the animal including all cleaning,

defleaing, and deodorizing. This provision applies to all parts of the Rental Unit, including carpets, doors, walls, drapes, wallpaper, windows, screens, furniture, appliances, as well as landscaping and other outside improvements. If items cannot be satisfactorily cleaned or repaired, you must pay for us to replace them completely. Payment for damages, repairs, cleaning, replacements, etc. are due immediately upon demand.

As owner of the animal, you are strictly liable for the entire amount of any injury that the animal causes to a person or anyone's property. You will fully indemnify Landlord and hold Landlord harmless from and against all damages, claims, injuries and expenses, including, without limitation, for all costs of litigation and attorney's fees resulting from any damage, losses, costs, or damages arising as a result of your or your guests or invitees' actions.

- 16. **Move-Out.** When you move out, you will pay for defleaing, deodorizing, and shampooing to protect future residents from possible health hazards, regardless of how long the animal was there. We—not you—will arrange for these services.
- 17. **Joint And Several Responsibility.** Each Resident who signed the Lease Agreement must sign this Animal Addendum. You, your guests, and any occupants must follow all animal rules. Each Resident is jointly and severally liable for damages and all other obligations set forth in this Animal Addendum, even if the Resident does not own the animal.
- 18. **General.** You acknowledge that no other oral or written agreement exists regarding animals. Except for written rule changes under paragraph 9 above, our representative has no authority to modify this Animal Addendum or the animal rules except in writing. This Animal Addendum and the animal rules are considered part of the Lease Agreement described above. It has been executed in multiple originals, one for you and one or more for us.

**This is a binding legal document. Read it carefully before signing.**

You are entitled to receive an original of this Addendum after it is fully signed. Keep it in a safe place.

**I have read, understand, and agree to comply with the preceding provisions: (All residents must sign here.)**

**Resident(s)**

Corporation:

**Providence Place, LLC**

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Date

**PROVIDENCE PLACE, LLC**  
**One Hundred Leonard Avenue, Newton, NC 28658**

**NO SMOKING ADDENDUM**  
**Becomes part of Lease Agreement**

*Please note: All use of any tobacco product involving smoking, burning, or combustion of tobacco is prohibited in any portion of the Community.*

In this document, the terms “you” and “your” refer to all tenants listed below and all occupants or guests; and the terms “we,” “us,” and “our” refer to the Corporation named in the Residential Lease Agreement (not to the Executive Director or anyone else).

**19. Rental Unit Description.**

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Street Address	City	State	Unit #
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**20. Residential Lease Agreement Description.**

Agreement Date: \_\_\_\_\_

Corporation’s Name: Providence Place, LLC

Tenants (list all residents):

\_\_\_\_\_  
\_\_\_\_\_

This Addendum constitutes an Addendum to the above-described Residential Lease Agreement for the above-described premises and is hereby incorporated into and made a part of such Residential Lease Agreement. Where the terms or conditions found in this Addendum vary or contradict any terms or conditions found in the Residential Lease Agreement, this Addendum shall control.

**21. Definition of Smoking.** Smoking refers to any use or possession of a cigar, cigarette, e-cigarette, hookah, vaporizer, or pipe containing tobacco or a tobacco product while that tobacco or tobacco product is burning, lighted, vaporized, or ignited, regardless of whether the person using or possessing the product is inhaling or exhaling the smoke from such product. The term tobacco includes, but is not limited to any form, compound, or synthesis of the plant of the genus *Nicotiana* or the species *N. tabacum* which is cultivated for its leaves to be used in cigarettes, cigars, e-cigarettes, hookahs, vaporizers, or pipes. Smoking also refers to use or possession of burning, lighted, vaporized, or ignited non-tobacco products if they are noxious, offensive, unsafe, unhealthy, or irritating to other persons.

**22. Smoking anywhere inside buildings of the Community is strictly prohibited.** All forms and use of burning, lighted, vaporized, or ignited tobacco products and smoking of tobacco products

inside any apartment, building, or interior of any portion of the Community is strictly prohibited. Any violation of the no-smoking policy is a material and substantial violation of this Addendum and the Residential Lease Agreement.

The prohibition on use of any burning, lighted, vaporized, or ignited tobacco products or smoking of any tobacco products extends to all tenants, their occupants, guests, invitees and all others who are present on or in any portion of the Community. The no-smoking policy and rules extend to, but are not limited to, the administrative offices, building interiors and hallways, building common areas, residential living units, exercise facilities, all interior areas of the Community, commercial shops, businesses, and spaces, work areas, and all other spaces whether in the interior of the Community or in the enclosed spaces on the surrounding community grounds.

Smoking of non-tobacco products which are harmful to the health, safety, and welfare of other residents inside any rental unit or building within the Community is also prohibited by this Addendum and other provisions of the Residential Lease Agreement.

- 23. Smoking outside buildings of the Community.** Smoking is also strictly prohibited on all building and property grounds of the Community including, without limitation, all parking areas, common areas and all other areas, both indoors and outdoors, comprising the Community.
- 24. Your responsibility for damages and cleaning.** You are responsible for payment of all costs and damages to your Rental Unit, other residents' Units, or any other portion of the Community for repair, replacement, or cleaning due to smoking or smoke related damage caused by you or your occupants, family, guests, agents or invitees. Any costs or damages we incur related to repairs, replacement, and cleaning due to your smoking or due to your violation of the no-smoking provisions of the Residential Lease Agreement are in excess of normal wear and tear. Smoke related damage, including but not limited to, the smell of tobacco smoke which permeates sheetrock, carpeting, wood, insulation, or other components of the Unit or building is in excess of normal wear and tear in our smoke free Community.
- 25. Your responsibility for loss of rental income and economic damages regarding other residents.** You are responsible for payment of all lost rental income or other economic and financial damages or loss to us due to smoking or smoke related damage caused by you or your occupants, family, guests, agents or invitees which results in or causes other residents to vacate their Rental Units, results in disruption of other residents' quiet enjoyment, or adversely affects other residents' health, safety, or welfare.
- 26. Residential Lease agreement termination for violation of this addendum.** We have the right to terminate your Lease Agreement or right of occupancy of the Unit for any violation of this No Smoking Addendum. Violation of the no smoking provisions is a material and substantial default or violation of the Residential Lease Agreement. Despite the termination of the Residential Lease Agreement or your occupancy, you will remain liable for rent through the end of the Residential Lease Agreement term or the date on which the Rental Unit is re-rented to a new occupant, whichever

comes first. Therefore, you may be responsible for payment of rent after you vacate the leased premises even though you are no longer living in the Rental Unit.

- 27. **Extent of your liability for losses due to smoking.** Your responsibility for damages, cleaning, loss of rental income, and loss of other economic damages under this No-Smoking Addendum are in addition to, and not in lieu of, your responsibility for any other damages or loss under the Residential Lease Agreement or any other addendum.
- 28. **Your responsibility for conduct of occupants, family members, and guests.** You are responsible for communicating this Community's no smoking policy and for ensuring compliance with this Addendum by your occupants, family, guests, agents and invitees.
- 29. **There is no warranty of a smoke free environment.** Although we prohibit smoking in the Community, there is no warranty or guaranty of any kind that your Rental Unit or the Community is smoke free. Enforcement of our no smoking policy is a joint responsibility which requires your cooperation in reporting incidents or suspected violations of smoking. You must report violations of our no smoking policy before we are obligated to investigate and act, and you must thereafter cooperate with us in prosecution of such violations.

This is an important and binding legal document. By signing this Addendum, you are agreeing to follow our no smoking policy and you are acknowledging that a violation could lead to termination of your Residential Lease Agreement or right to continue living in the Rental Unit. If you or someone in your household is a smoker, you should carefully consider whether you will be able to abide by the terms of this Addendum.

- 30. **Special Provisions.** The following special provisions control over conflicting provisions of this printed form:

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**Signature on the following page.**



This is a binding legal document. Read it carefully before signing.

You are entitled to receive an original of this Addendum after it is fully signed. Keep it in a safe place.

I have read, understand, and agree to comply with the preceding provisions: (All residents must sign here.)

**Resident(s)**

Corporation:

**Providence Place, LLC**

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Date



## Continuing Care Retirement Community

### Disclosure of Services

Providence Place is part of a Continuing Care Retirement Community licensed as Providence Place, LLC. Providence Place, LLC is comprised of three levels of care, Providence Place Village provides residential living, Westchester Harbour at Providence Place provides assisted living services, and Westchester Manor at Providence Place provides skilled nursing services.

Residents that reside within the Providence Place senior living community will have priority access to all levels of care as many times as needed as long as admission requirements are met.

**Admission to the residential living units, Providence Place, requires that a Resident meet the below requirements:**

- Health: Residents must have sufficient physical and mental capacities to live independently without posing a danger to his/her health or to the health and safety of other Providence Place residents and staff. The Resident will be required to provide a Resident Screening Form.
- Financial: The Resident must provide Providence Place with information showing they have the income and assets to cover the Monthly Fee and any future adjustments throughout this Agreement.
- Age: The Resident must be at least 55 years old when moving into a Rental Unit at Providence Place, except for one spouse in a married couple.

**Westchester Harbour at Providence Place offers assisted living services to residents who meet the admission criteria, which include, but are not limited to:**

- Residents in this level of care must provide the state required FL-2 form completed and signed by a physician no more than 90 days prior to admission. However, it may be requested that any FL-2 dated more than 30 days prior to admission be reviewed by the physician for accuracy.
- Health: The Resident should be capable of moving independently with little assistance, using a wheelchair or walker if needed. They must be able to perform daily activities such as bathing, dressing, and taking medications with minimal help. A primary diagnosis of mental illness is not permitted for residency.
- Financial: The Resident must provide evidence of sufficient financial means. The Resident or his/her Legal Representative will pay or arrange payment for services in accordance with the Facility's then prevailing room rates.
- Age: The Resident must be at least 55 years of age.
- A two-step PPD test or a chest X-ray conducted within the past year, along with a declaration

confirming that the individual is free from communicable diseases, is mandatory. Additionally, documentation proving that the Resident has been vaccinated against pneumonia and influenza is required. Alternatively, a statement from a medical provider explaining why the vaccinations cannot be administered or a signed document indicating the Resident's refusal to receive the vaccinations must be provided.

**Westchester Manor at Providence Place offers skilled nursing services to individuals who meet the admission criteria, which include but are not limited to:**

- A Resident has a medical condition(s) that requires 24/7 interventions and/or monitoring by the licensed personnel of a skilled nursing facility; a Resident requires skilled nursing and therapy care that can only be safely and effectively performed by, or under the supervision of, professionals or technical personnel.
- Residents in this level of care must provide the state required FL-2 form completed and signed by a physician no more than 90 days prior to admission. However, it may be requested that any FL-2 dated more than 30 days prior to admission be reviewed by the physician for accuracy.
- A payment source is required to cover the services provided by the facility.
- The facility must determine they are able to meet the needs of each Resident, which will be evaluated when/if skilled nursing services are needed.

In the event a Resident requires a higher level of care and there is no availability, or the Resident does not qualify for admission at Providence Place, Providence Place will assist the Resident in finding another health care center as close as possible to the quality and price of Providence Place.

If a Resident has a temporary stay from residential living to a higher level of care, the Resident will continue to pay the Monthly Fee for the Rental Unit at Providence Place. If the Resident has a permanent transfer from residential living to a higher level of care, the Resident will continue paying the Monthly Fee until the Rental Unit is vacated and the keys are turned into the Leasing office.

**Charges**

Charges at Westchester Manor at Providence Place for skilled nursing will be incurred at the published per diem rate for the accommodations occupied by the Resident, plus other charges for other services not included in such per diem rate.

Charges at Westchester Harbour at Providence Place for assisted living services will be incurred at the published per diem rate for the accommodation occupied by the Resident, plus other charges for other services not included in such per diem rate.

Charges at Providence Place for a residential living Rental Unit will be incurred at the published rate.

As a Resident entering the Providence Place Continuing Care Retirement Community, I understand that all of the stated levels of living will be offered to me with priority access as long as I meet the admission requirements. Each level of living will require its own separate contract at time of admission to that specific level of care.

The undersigned have read, do understand and been given a copy of this disclosure as indicated by their signatures below:

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Resident

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Resident Representative

**Providence Place, LLC**

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Authorized Representative/Title

\_\_\_\_\_  
Date By: \_\_\_\_\_  
Witness

## Exhibit 3: Articles of Organization

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# NORTH CAROLINA

## Department of the Secretary of State

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**To all whom these presents shall come, Greetings:**

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

### ARTICLES OF ORGANIZATION

OF

### PROVIDENCE PLACE, LLC

the original of which was filed in this office on the 25th day of July, 2024.



Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 25th day of July, 2024.

*Elaine F. Marshall*

Secretary of State

Certification# C202420003060-1 Reference# C202420003060-1 Page: 1 of 4  
Verify this certificate online at <https://www.sosnc.gov/verification>

State of North Carolina  
Department of the Secretary of State

SOSID: 2884823  
Date Filed: 7/25/2024 9:06:00 AM  
Elaine F. Marshall  
North Carolina Secretary of State  
C2024 200 03060

Limited Liability Company  
ARTICLES OF ORGANIZATION

Pursuant to §57D-2-20 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Organization for the purpose of forming a limited liability company.

1. The name of the limited liability company is: Providence Place, LLC  
(See Item 1 of the Instructions for appropriate entity designation)
2. The name and address of each person executing these articles of organization is as follows: (State whether each person is executing these articles of organization in the capacity of a member, organizer or both by checking all applicable boxes.) **Note: This document must be signed by all persons listed.**

Name	Business Address	Capacity
<u>Elizabeth Campbell - Robinson, Bradshaw &amp; Hinson, P.A., 101 N. Tryon Street, Suite 1900 Charlotte NC, 28246 United States</u>		<input type="checkbox"/> Member <input checked="" type="checkbox"/> Organizer
_____		<input type="checkbox"/> Member <input type="checkbox"/> Organizer
_____		<input type="checkbox"/> Member <input type="checkbox"/> Organizer

3. The name of the initial registered agent is: Lee B. Syria

4. The street address and county of the initial registered agent office of the limited liability company is:

Number and Street 100 Leonard Avenue  
City Newton State: NC Zip Code: 28658-9649 County: Catawba

5. The mailing address, if different from the street address, of the initial registered agent office is:

Number and Street \_\_\_\_\_  
City \_\_\_\_\_ State: NC Zip Code: \_\_\_\_\_ County: \_\_\_\_\_

6. Principal office information: (Select either a or b.)

a.  The limited liability company has a principal office.

The principal office telephone number: (877) 637-7936

The street address and county of the principal office of the limited liability company is:

Number and Street: 100 Leonard Avenue  
City: Newton State: NC Zip Code: 28658-9649 County: Catawba

The mailing address, if different from the street address, of the principal office of the company is:

Number and Street: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ County: \_\_\_\_\_

b.  The limited liability company does not have a principal office.

7. Any other provisions which the limited liability company elects to include (e.g., the purpose of the entity) are attached.

8. **(Optional):** Listing of Company Officials (See instructions on the importance of listing the company officials in the creation document.

Name	Title	Business Address

9. **(Optional):** Please provide a business e-mail address: Privacy Redaction  
The Secretary of State's Office will e-mail the business automatically at the address provided above at no cost when a document is filed. The e-mail provided will not be viewable on the website. For more information on why this service is offered, please see the instructions for this document.

10. These articles will be effective upon filing, unless a future date is specified:

\_\_\_\_\_

This is the 18th day of July, 2024.

\_\_\_\_\_  
Elizabeth Campbell  
Signature

Elizabeth Campbell Organizer  
Type or Print Name and Title

The below space to be used if more than one organizer or member is listed in Item #2 above.

_____	_____
Signature	Signature
_____	_____
Type or Print Name and Title	Type or Print Name and Title

**NOTE:**

1. Filing fee is \$125. This document must be filed with the Secretary of State.



7. Purpose of the LLC:

Providence Place, LLC (the "Company") is organized exclusively for charitable, religious, educational, literary and scientific purposes. The Company shall have the power to conduct all lawful affairs; provided, however, that it shall at all times be operated exclusively for charitable, religious, educational, literary and scientific purposes and subject to the limitations of this paragraph. No part of the net earnings of the Company shall inure to the benefit of, or be distributable to, its managers, officers or other private persons, except that the Company shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above. No substantial part of the activities of the Company shall be to carry on propaganda or otherwise to attempt to influence legislation, and the Company shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office. The Company shall not carry on any other activities not permitted to be carried on by any entity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). If the Company should be dissolved, its assets shall be distributed to EveryAge, a North Carolina nonprofit corporation (the "Sole Member"), or to one or more organizations selected by the Sole Member that are organized and operated exclusively for charitable, religious, educational, literary or scientific purposes and at the time qualify as exempt organizations under Section 501(c)(3) of the Code.

## **Exhibit 4: Certified 2022 - 2023 Audited Financial Statement**

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For the Period Ending September 30, 2023

**EVERYAGE AND AFFILIATES**  
**COMBINED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

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

**EVERYAGE AND AFFILIATES  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
EveryAge and Affiliates  
Newton, North Carolina

### *Opinion*

We have audited the accompanying combined financial statements of EveryAge and Affiliates (a North Carolina nonprofit organization), which comprise the combined statements of financial position as of September 30, 2023, and the related combined statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of EveryAge and Affiliates as of September 30, 2023, and the changes in their 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of EveryAge and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibility of Management for the Financial Statements*

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

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about EveryAge and Affiliates' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the combined 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.

***Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

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 auditing standards generally accepted in the United States of America 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, including omissions, 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 combined financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 EveryAge and Affiliates' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about EveryAge and Affiliates' 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.

***Other Matter***

The 2022 combined financial statements of EveryAge and Affiliates were audited by other auditors whose report dated December 12, 2022 expressed an unmodified opinion on those statements.



**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
January 24, 2024

**EVERYAGE AND AFFILIATES  
COMBINED STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2023 AND 2022**

<b>ASSETS</b>	2023	2022
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 3,838,684	\$ 3,725,758
Cash and Cash Equivalents, Limited as to Use	182	1,027,597
Accounts Receivable, Net of Allowance for Doubtful Accounts	3,374,298	3,309,332
Other Receivables, Net of Allowance for Doubtful Accounts	1,459,426	817,112
Due from Related Parties, Current	2,847,600	941,573
Other Current Assets	809,139	966,717
Total Current Assets	12,329,329	10,788,089
Due from Related Parties, Less Current Portion	227,524	227,524
Assets Limited as to Use	85,018,644	80,189,203
Equity Investment	1,326,104	1,217,675
Fair Value of Interest Rate Swap Agreements	8,429,975	5,703,707
Other Noncurrent Assets	1,203,454	1,176,020
Property and Equipment, Net	96,408,626	87,195,449
Total	192,614,327	175,709,578
Total Assets	\$ 204,943,656	\$ 186,497,667
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Line of Credit	\$ -	\$ 2,159,178
Current Portion of Long-Term Debt	2,435,000	2,575,000
Current Portion of Capital Leases	-	10,383
Accounts Payable	5,646,396	4,322,300
Accrued Salaries and Related Benefits	3,946,493	3,642,229
Other Current Payables	2,892,312	3,141,965
Total Current Liabilities	14,920,201	15,851,055
<b>LONG-TERM LIABILITIES</b>		
Long-Term Debt, Less Current Portion	94,768,662	90,222,607
Refundable Advance Fees	8,342,300	9,097,284
Deferred Revenue CARES Act	-	26,742
Deferred Revenue from Advance Fees	41,928,863	37,660,841
Total	145,039,825	137,007,474
Total Liabilities	159,960,026	152,858,529
<b>NET ASSETS</b>		
Without Donor Restrictions	36,811,490	25,773,040
With Donor Restrictions	8,172,140	7,866,098
Total Net Assets	44,983,630	33,639,138
Total Liabilities and Net Assets	\$ 204,943,656	\$ 186,497,667

See accompanying Notes to Combined Financial Statements.

(3)

**EVERYAGE AND AFFILIATES**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	2023	2022
<b>OPERATING REVENUES</b>		
Health Care	\$ 32,465,310	\$ 28,291,323
Pavilion/Assisted Living	4,023,627	3,674,865
Residential Living	15,344,674	14,289,545
Amortization of Advance Fees	6,069,827	5,725,924
Home Care	2,231,534	3,446,339
PACE Income	17,216,832	15,741,565
Management Fee Income	919,474	176,652
Outside Services	334,050	309,522
Other Operating Revenue	1,706,813	806,629
Total Operating Revenues	80,312,141	72,462,364
<b>OPERATING EXPENSES</b>		
Health Services:		
Health Care	14,206,279	12,540,873
Medical Records	160,457	143,155
Personnel and Employee Benefits	10,408,566	10,056,998
Laundry	353,192	289,003
Social Services	278,304	262,398
Activities	412,942	365,348
Spiritual Life	207,564	199,483
Housekeeping	1,338,787	1,186,626
Plant Maintenance	5,985,864	5,369,543
Residential Living	166,488	448,709
Pavilion/Assisted Living	1,733,853	1,605,946
Clinic	205,250	164,108
Resident Services	277,686	255,000
Transportation	208,257	202,206
Dietary	5,173,044	4,381,747
Wellness Center	135,146	121,669
Beauty Shop	54,067	36,478
Day Care	343,379	300,544
Home Care	2,136,271	2,278,365
Home Health	1,059,599	948,323
PACE Expenses (Including 2023 and 2022 Depreciation of \$104,185 and 119,265, respectively)	14,853,224	13,240,712
Outside Services	122,636	38,849
General and Administrative:		
Administrative	5,987,369	5,782,370
Marketing	991,054	884,238
Staff Development	204,802	156,247
Depreciation	6,619,308	6,749,921
Real Estate Taxes	388,224	394,989
Interest Expense	3,878,856	2,575,186
Insurance	1,150,740	1,084,910
Bad Debts	359,651	354,542
Other Operating Expenses	706,860	623,129
Total Operating Expenses	80,107,719	73,041,615
<b>OPERATING INCOME (LOSS)</b>	204,422	(579,251)

See accompanying Notes to Combined Financial Statements.

(4)



**EVERYAGE AND AFFILIATES**  
**COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS (CONTINUED)**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

<b>NONOPERATING INCOME (EXPENSE)</b>	2023	2022
Contributions and Grants	\$ 2,640,326	\$ 188,311
Contribution Expense	(2,659,625)	(2,313,612)
Investment Return, Net	7,306,774	(12,409,552)
Change in Fair Value of Interest Rate Swap Agreements	2,726,268	6,482,861
Gain (Loss) on Sale of Property and Equipment	(71,998)	28,454
Loss on Extinguishment of Debt	-	(5,887,333)
Other Nonoperating Income	302,302	1,919,506
Net Assets Released from Restrictions	589,981	830,962
Total Nonoperating Income (Expense)	10,834,028	(11,160,403)
 <b>EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENSES AND CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	 11,038,450	 (11,739,654)
 <b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	896,023	1,419,544
Change in Value of Gift Annuities	-	(4,627)
Net Assets Released from Restrictions	(589,981)	(830,959)
 <b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>	 306,042	 583,958
 <b>CHANGE IN NET ASSETS</b>	 11,344,492	 (11,155,696)
 Net Assets - Beginning of Year	 33,639,138	 44,794,834
 <b>NET ASSETS - END OF YEAR</b>	 <b>\$ 44,983,630</b>	 <b>\$ 33,639,138</b>

*See accompanying Notes to Combined Financial Statements.*

(5)

**EVERYAGE AND AFFILIATES  
COMBINED STATEMENTS OF CASH FLOWS  
YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change In Net Assets	\$ 11,344,492	\$ (11,155,696)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Net Realized and Unrealized (Gain) Loss on Investments	(7,022,462)	12,409,552
Net (Gain) Loss on Sale of Property and Equipment	71,998	(28,454)
Loss on Extinguishment of Debt	-	28,212
Change in Allowance for Doubtful Accounts	183,886	391,890
Depreciation	6,723,493	6,869,186
Change in Fair Value of Interest Rate Swap Agreement	(2,726,268)	(6,482,861)
Amortization of Deferred Issue Costs	184,707	145,822
Amortization of Bond Premium, Net	(288,571)	(271,435)
Amortization of Advance Fees	(6,069,827)	(5,725,924)
Advance Fees Received	9,605,461	5,655,451
Change in Value of Equity Investment	(108,429)	-
Change in Value of Gift Annuities	-	9,167
(Increase) Decrease in:		
Accounts Receivable	(248,852)	(1,487,934)
Other Receivables	(642,314)	238,775
Other Current Assets	130,144	(235,715)
Increase (Decrease) in:		
Accounts Payable	16,290	280,472
Accrued Salaries and Related Benefits	304,264	295,077
Other Current Payables	(249,653)	1,888,881
Deferred Revenue	(26,742)	26,742
Net Cash Provided by Operating Activities	<u>11,181,617</u>	<u>2,851,208</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in Assets Limited as to Use	2,193,021	2,499,086
Purchases of Property and Equipment	(15,025,710)	(9,014,779)
Proceeds from Sale of Property and Equipment	324,848	29,455
Repayments to Related Parties, Net	(1,906,027)	(610,800)
Net Cash Used by Investing Activities	<u>(14,413,868)</u>	<u>(7,097,038)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advanced Fees Refunds	(2,300,240)	(1,921,474)
Borrowings on Lines of Credit	-	1,659,178
Borrowings from Long-Term Debt	7,669,632	77,242,841
Principal Payments on Long-Term Debt and Capital Leases	(2,585,383)	(73,056,764)
Principal Payments on Line of Credit	(2,159,178)	-
Refundable and First Generation Advance Fees Received	2,277,644	1,472,240
Increase in Bond Issuance Costs	(584,713)	-
Premium Received on Bonds Issued	-	1,347,750
Net Cash Provided by Financing Activities	<u>2,317,762</u>	<u>6,743,771</u>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(914,489)</b>	<b>2,497,941</b>
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>4,753,355</u>	<u>2,255,414</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>	<b><u>\$ 3,838,866</u></b>	<b><u>\$ 4,753,355</u></b>

See accompanying Notes to Combined Financial Statements.

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**EVERYAGE AND AFFILIATES**  
**COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Cash and Cash Equivalents	\$ 3,838,684	\$ 3,725,758
Cash and Cash Equivalents in Assets Limited as to Use	182	1,027,597
Total Cash, Cash Equivalents and Restricted Cash	<u>\$ 3,838,866</u>	<u>\$ 4,753,355</u>
 <b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	<u>\$ 3,616,434</u>	<u>\$ 2,783,828</u>
 <b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITY</b>		
Acquisition of Property and Equipment through Incurrence of Accounts Payable	<u>\$ 1,307,806</u>	<u>\$ -</u>

*See accompanying Notes to Combined Financial Statements.*

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**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION**

EveryAge is a nonprofit organization that owns and operates continuing care retirement communities in Newton (Abernethy Laurels) and Thomasville (Piedmont Crossing), North Carolina, consisting of residential living units, assisted living units and nursing facilities providing adult care and intermediate and skilled nursing care. EveryAge was incorporated in North Carolina in 1961. EveryAge's corporate office is located in Newton, North Carolina.

Lake Prince Center, Inc. (Lake Prince) is a nonprofit continuing care retirement community in Suffolk, Virginia. The facility consists of independent living units and nursing facilities providing adult care and intermediate and skilled nursing care for Lake Prince residents. Lake Prince was incorporated under the laws of North Carolina in July 1999 and has obtained a certificate to transact business in Virginia where the facility is located.

Lake Prince at Home, LLC, was incorporated on October 16, 2017 and is a wholly owned subsidiary of Lake Prince Center, Inc. It has expanded the services offered at Lake Prince and the surrounding market areas of Suffolk, Virginia.

The EveryAge Foundation (the Foundation) is a nonprofit organization which was established for the purpose of fund development for the capital and operating support of the residential facilities operated by EveryAge, which includes fund development to support benevolent care for those residents who are unable to pay for continuing care at the residential facilities operated by EveryAge. The Foundation was incorporated under the laws of the state of North Carolina in 2000.

EA Holding is a nonprofit organization which was established for the purpose of development and investment of funds outside of the obligated group. EA Holding was incorporated under the laws of the state of North Carolina in 2021.

Carolina SeniorCare (CSC), a Program of All-inclusive Care for the Elderly (PACE), in Lexington, North Carolina, is a nonprofit organization created in 2011 by its parent organization, EveryAge. Carolina SeniorCare serves individuals who are age 55 or older, are certified by their state to need nursing home care, able to live safely in the community at the time of enrollment, live in Davidson, Rowan, Davie, or Iredell counties and either Medicare or Medicaid eligible. The program is able to provide the entire continuum of care and services to seniors with chronic care needs while maintaining their independence in their homes for as long as possible. PACE receives direct payments from Medicare and Medicaid to cover needed services. Because of the pooled financing of PACE, programs have strong incentives to focus on wellness and prevention and to decrease the hospitalization rates for the participants and the incidence of long-term institutionalization.

BellaAge Hickory, LLC is a nonprofit organization which was incorporated on December 12, 2022. BellaAge Hickory, LLC is a planned new independent living unity community with construction beginning in 2023. Construction is expected to take approximately 18 months to complete.

EveryAge, Lake Prince, Carolina SeniorCare, EA Holding, BellaAge and the Foundation are collectively referred to as the Organization.

EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Combination**

The combined financial statements include the financial statements of EveryAge, Lake Prince, Carolina SeniorCare, EA Holding, BellaAge Hickory, and the Foundation. All material intercompany accounts and transactions have been eliminated in the combination.

**Use of Estimates**

The preparation of combined financial statements in conformity 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 date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers all cash on hand and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Organization excludes assets limited as to use from cash and cash equivalents.

**Assets Limited as to Use**

Assets limited as to use primarily include assets held by trustees under indenture agreements and designated assets set aside by the board of directors for future capital improvements to the extent funds are available, over which the board retains control and may, at its discretion, subsequently use for other purposes; and the operating reserve required by State statute.

**Investments**

Investments held are reported at fair value and are included in assets limited as to use as they are considered board designated. Fair value is 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. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included and reflected within investment return, net of nonoperating income on the combined statement of operations and changes in net assets. Donated investments are stated at fair value at the date of the gift. Investment expenses and fees are approximately \$261,000 and \$263,000, and are netted with net realized gains on investments in the combined statement of operations and changes in net assets as of September 30, 2023 and 2022, respectively.

The Organization's 20% investment in Trinity Rehab, LLC is accounted for by the equity method, and the Organization's proportionate share of Trinity Rehab, LLC's change in net assets is reflected in the Organization's combined statement of operations.



**EVERYAGE AND AFFILIATES**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable**

The Organization records accounts receivable at the total unpaid balance less an allowance for doubtful accounts. The Organization determines past-due status based on the billing dates and does not charge interest on overdue accounts. The Organization writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to bad debt expense. The accounts receivable's allowance for doubtful accounts at September 30, 2023 and 2022 was approximately \$528,000 and \$712,000, respectively.

**Property and Equipment**

Property and equipment are recorded at cost, net of accumulated depreciation. Donated property and equipment are recorded at their estimated fair value on the date of receipt. Interest costs incurred on borrowed funds during the period of construction are capitalized as a component of the cost of acquiring those assets. The Organization capitalizes property and equipment with an estimated useful life of greater than one year and a cost of more than \$2,000.

Depreciation is computed using the straight-line method based on the following estimated useful lives:

Land Improvements	10 to 20 Years
Buildings and Improvements	30 to 40 Years
Furniture, Fixtures, and Equipment	5 to 15 Years
Vehicles	5 Years

The Organization periodically assesses the value of its long-lived assets and evaluates such assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. For assets to be held and used, impairment is determined to exist if estimated future cash flows, undiscounted and without interest charges, are less than the carrying amount. For assets to be disposed of, impairment is determined to exist if the estimated net realizable value is less than the carrying amount.

The Organization reports contributions of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long these assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Deferred Costs**

Deferred financing costs relating to the permanent financing of the facilities have been deferred and are being amortized over the life of the bonds. Amortization expense, which is included with interest expense on the combined statements of operations and changes in net assets without donor restrictions, was approximately \$185,000 and \$165,000 for the years ended September 30, 2023 and 2022, respectively. The annual amortization for these deferred financing costs will be approximately \$195,000 for each of the next five years.

EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Resident Escrows**

If a resident should move into a health care unit and vacate a residential living unit, the amount of any refund to which the resident would be entitled is set aside and held by the Organization for use by the resident to pay for necessary health care expenses. Once a permanent move is made and the residential living unit is available for remarketing, the resident may draw against the remaining residency refund to pay health care costs. At September 30, 2023 and 2022, resident escrow totaled approximately \$367,000 and \$287,000, respectively.

In case of financial hardship, withdrawal of more than \$1,500 per month may be requested by the resident. The resident must submit financial information sufficient to prove financial need. Such withdrawals will be allowed upon approval by senior management of the Organization.

**Obligation to Provide Future Services**

The Organization annually calculates the present value of the net cost of future services and use of facilities to be provided to current residents at a discount rate of 5% and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and use of facilities exceeds the deferred revenue from entrance fees, a liability is recorded (obligation to provide future services and use of facilities) with the corresponding charge to income. The Organization had no future service obligation at September 30, 2023 and 2022.

**Advance Deposits**

The Organization may collect up to 10% of the advance fees described below as a deposit on unoccupied units. Once the unit becomes occupied, these fees are transferred to deferred revenue. At September 30, 2023 and 2022, advance deposits totaled approximately \$708,000 and \$1,278,000, respectively.

**Advance Fees**

Deferred revenue from advance fees represents payments made by a resident in exchange for the use and privileges of the community for life or until termination of the residency agreement.

Contracts currently offered to EveryAge and Lake Prince residents are a fully declining refund contract and a 50% refundable contract. The nonrefundable portion of these fees is amortized into income on a straight-line basis over the estimated remaining life, actuarially adjusted, of each resident. The estimated amount of advance fees that is expected to be refunded to current residents under terms of the contracts are classified as refundable advance fees. Refunds are made to residents upon re-occupancy of the unit unless the resident has chosen to transfer their remaining balance into escrow as described above. Any unrecognized deferred revenue, less any related refund, at the date of termination of the contract is recorded as income in the period the termination of the contract occurs.

At September 30, 2023 and 2022, current portion of refunds payable was approximately \$622,000 and \$964,296, respectively.

EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Interest Rate Swap Agreement**

The Organization uses interest rate swap agreements to manage risks related to interest rate movements. The Organization's interest rate risk strategy is to pay-fixed and receive-variable interest rate swaps. The combination of these swaps and variable-rate bonds creates synthetic fixed-rate debt. The use of synthetic fixed-rate debt has the ability to lower the Organization's borrowing costs associated with the issuance of traditional fixed-rate bonds. The Organization's interest rate swap agreements have not been designated as hedging transactions and are reported at fair value.

**Net Assets**

The following classification of net assets is presented in the accompanying combined financial statements:

*Without Donor Restrictions* – All revenue not restricted by donors, unrestricted contributions designated by the board and donor restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

*With Donor Restrictions* – All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in donor restricted net assets. The investment income arising from endowment funds, if any, are accounted for in accordance with donor stipulations. 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.

**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 retirement communities licensed in North Carolina. The operating reserve must be an amount at least equal to 25% to 50% of operating expenses (net of depreciation and amortization) plus debt service, for the projected years ended September 30, 2023 and 2022, for those facilities depending on occupancy levels of each facility.

**Excess (Deficit) of Revenues Over (Under) Expenses**

The combined statements of operations and changes in net assets reflect the excess (deficit) of revenues over (under) expenses. Changes in net assets without donor restrictions that are excluded from the excess (deficit) of revenues over (under) expenses, consistent with industry practice, would include permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions which by donor restrictions were used for acquiring the asset).



EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue Recognition

The Organization generates revenues, primarily by providing housing, amenities (recreational, dining, etc.) and access to health care services to its residents and participants. The various life care contract streams of revenue are recognized as follows:

Entrance Fees

The nonrefundable entrance fees are recognized as deferred revenue upon receipt of the payment under the life care contract and included in liabilities in the statement of financial position until the performance obligations are satisfied. These deferred amounts are then amortized on a straight-line basis into revenue on a monthly basis over the expectant life of the resident as the performance obligation is associated with access to future services. 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 statement of financial position.

Health Care Services

The Organization also provides assisted and nursing care to residents who are covered by government and commercial payers. The Organization is paid fixed rates from government and commercial payers. These fixed rates are billed in arrears monthly when the service is provided. The monthly fees represent the estimated net realizable amounts from patients, third-party payors, and others for services rendered while in the health care unit, and includes estimated retroactive revenue adjustments due to future audits, reviews, 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 Organization have been immaterial in relation to the combined financial statements as a whole.

Monthly Service Fees

The life care contracts that residents select require an advanced fee and monthly fees based upon the type of space 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 assisted living and nursing care and these performance obligations are earned each month. Resident fee revenue for nonroutine or additional services are billed monthly in arrears and recognized when the service is provided.

EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Two major types of revenue are recognized in resident services as follows:

Residential/Assisted Living Revenue

Residents that reside in residential and assisted living units are subject to a continuing monthly support service fee, which varies based on each resident's contract. The monthly fee can be adjusted from time to time by the Organization according to changes in costs.

PACE Revenue

PACE provides comprehensive health care services to participants and receives payment in the form of capitated rates per participant based on a tri-party agreement between Medicare, Medicaid, and Carolina SeniorCare. Medicaid and Medicare make monthly interim capitation payments to Carolina SeniorCare. Capitation revenues from Medicare are subject to the same retroactive rate adjustments and audits which often are not finalized until months or years after the services are rendered. Adjustments are nominal and are included in the statement of operations in the period they become known.

Benevolent Assistance

The Organization has a policy of providing benevolent assistance to qualified residents who are unable to pay. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis. The normal charges for services provided are included in revenue and paid through a transfer of assets from the Benevolent Trust Fund.

Income Tax Status

The Organization consists of not-for-profit organizations exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3), and the affiliated Foundation is exempt from income taxes pursuant to Internal Revenue Code Section 501(a).

It is the Organization's policy to evaluate all tax positions to identify any that may be considered uncertain. All identified material tax positions are assessed and measured by a more-likely-than-not threshold to determine if the tax position is uncertain and what, if any, the effect of the uncertain tax position may have on the combined financial statements. No material uncertain tax positions were identified for 2023 and 2022.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the years ended September 30, 2023 and 2022 were approximately \$296,000 and \$230,000, respectively.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are primarily allocated include salaries and benefits which are allocated on the basis of estimates of time and effort.

EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Standards**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842). This new accounting standard increases transparency among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the combined statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objectivity of enabling users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the requirements of the guidance effective October 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption. As of the year ended September 30, 2023, the Organization had no material leases that were applicable to this new standard.

**Subsequent Events**

The Organization has evaluated events and transactions for potential recognition or disclosure through January 24, 2024, which is the date the combined financial statements were available to be issued.

**NOTE 3 FAIR VALUE MEASUREMENTS**

Fair value measurement provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

*Level 2* – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets limited as to use measured at fair value. There have been no changes in the methodologies used during the year.

*Common stocks and asset backed securities:* Valued at the closing price reported on the active market on which the individual securities are traded.

*U.S. government and agency, municipal, international, and corporate bonds:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Cash and Money Market Funds, Mutual Funds, and Closed-End Funds:* Valued at the net asset value of shares held by the Organization at year-end.

*Charitable Gift Annuities:* Valued at the net present value of the anticipated residual value of the original charitable gift.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 sets forth by level, within the fair value hierarchy, the Organization's assets limited as to use at fair value as of September 30:

	2023			Total
	Level 1	Level 2	Level 3	
Mutual Funds	\$ 39,268,784	\$ -	\$ -	\$ 39,268,784
U.S. Government and Agency Bonds	-	4,280,276	-	4,280,276
Municipal Bonds	10,042,410	-	-	10,042,410
Asset Backed Securities	38,342	-	-	38,342
Corporate Bonds	2,912,954	-	-	2,912,954
Cash and Money Market Funds	32,518	11,533,401	-	11,565,919
Charitable Gift Annuities	-	-	104,833	104,833
Closed End Funds	1,490,342	-	-	1,490,342
Common Stocks	15,314,784	-	-	15,314,784
Assets Under Interest Rate				
Swap Agreements	8,429,975	-	-	8,429,975
Total Assets at Fair Value	<u>\$ 77,530,109</u>	<u>\$ 15,813,677</u>	<u>\$ 104,833</u>	<u>\$ 93,448,619</u>

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**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

	2022			
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 39,354,406	\$ -	\$ -	\$ 39,354,406
U.S. Government and Agency Bonds	-	1,921,684	-	1,921,684
Municipal Bonds	7,776,993	-	-	7,776,993
Asset Backed Securities	64,246	-	-	64,246
Corporate Bonds	3,195,794	-	-	3,195,794
Cash and Money Market Funds	40,938	9,264,328	-	9,305,266
Charitable Gift Annuities	-	-	104,833	104,833
Closed End Funds	4,735,840	-	-	4,735,840
Common Stocks	13,730,141	-	-	13,730,141
Assets Under Interest Rate Swap Agreements	5,703,707	-	-	5,703,707
Total Assets at Fair Value	<u>\$ 74,602,065</u>	<u>\$ 11,186,012</u>	<u>\$ 104,833</u>	<u>\$ 85,892,910</u>

A reconciliation of the beginning and ending balances of the Organization's Level 3 investments is as follows for the years ended September 30:

	2023	2022
Beginning Balance	\$ 104,833	\$ 113,999
Change in Value of Charitable Gift Annuities and Settlements	-	(9,166)
Ending Balance	<u>\$ 104,833</u>	<u>\$ 104,833</u>

**NOTE 4 ASSETS LIMITED AS TO USE**

Assets limited as to use are allocated as follows for the years ended September 30:

	2023	2022
Board-Designated Quasi-Endowment Fund	\$ 62,664,793	\$ 57,114,833
Trustee Deposit Accounts Required by Debt Agreement	5,902,103	7,362,659
Operating Reserve for Department of Insurance	16,314,397	15,565,940
Beneficial Interest in Charitable Gift Annuities	104,833	104,833
Residents' Funds	32,518	40,938
Total	<u>\$ 85,018,644</u>	<u>\$ 80,189,203</u>

Net investment income is composed of the following for the years ended September 30:

	2023	2022
Interest and Dividends	\$ 567,279	\$ 4,433,015
Realized Gains (Losses) on Sale of Investments	1,190,532	(973,864)
Investment Expenses	(282,967)	(302,794)
Unrealized Gains (Losses) on Investments	5,831,930	(15,565,909)
Total	<u>\$ 7,306,774</u>	<u>\$ (12,409,552)</u>

**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 4 ASSETS LIMITED AS TO USE (CONTINUED)**

The Organization's investments held within assets limited as to use potentially subject it to concentrations of credit risk. The Organization maintains various types of investments that encompass many different companies with varied industrial and geographical characteristics designed to limit exposure to any one industry, company or geographical location. However, as most of the Organization's investments are traded in public markets, they are subject to general fluctuations in the market's overall performance. The Organization maintains an investment policy and retains investment managers to operate within that investment policy and who perform periodic evaluations of the relative credit standing of the companies and financial institutions in which the Organization invests.

**NOTE 5 EQUITY METHOD INVESTMENT**

The Organization has a 20% equity interest in Trinity Rehab, LLC. During the year ended September 30, 2022, the Organization made the initial investment of \$1,100,000. The Organization receives 20% of Trinity Rehab LLC's net income, and distributions as declared by Trinity Rehab, LLC. During the year ended September 30, 2023 the Organization received \$351,000 in distributions, and their 20% share of income was approximately \$467,000. During the year ended September 30, 2022 the Organization received \$120,000 in distributions, and their 20% share of income was approximately \$238,000. The investment as of September 30, 2023 and 2022 was \$1,326,104 and \$1,217,675, respectively.

Distributions received from equity method investees are classified in the combined statement of cash flows under the cumulative earnings approach, in which distributions received are considered returns on investment and classified as cash inflows from operating activities, unless the cumulative distributions received less distributions received in prior periods that were determined to be returns of investment exceed cumulative equity in earnings recognized. When such an excess occurs, distribution up to this excess would be considered a return of investment and classified as cash inflows from investing activities.

**NOTE 6 LIQUIDITY AND AVAILABILITY**

The following reflects the Organization's financial assets as of the combined statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the combined statement of financial position date. Amounts not available also include amounts designated for long-term investing in the quasi-endowment that could be drawn upon if the governing board approves that action.

	2023	2022
Cash and Cash Equivalents	\$ 3,838,684	\$ 3,725,758
Assets Limited As To Use:		
Board-Designated Quasi-Endowment Fund	62,664,793	57,114,833
Operating Reserve for Department of Insurance	16,314,397	15,565,940
Receivables, Net	4,833,724	4,126,444
Less: Net Assets With Donor Restrictions	(8,172,140)	(7,866,098)
Total Financial Assets Available to Meet Liquidity Needs	\$ 79,479,458	\$ 72,666,877

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**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 6 LIQUIDITY AND AVAILABILITY (CONTINUED)**

The Organization is substantially supported by health care and residential/assisted living revenues. As part of the Organization's liquidity, management has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The organization maintains a line of credit for the purposes of managing short term cash flow deficits. Determination of the source of liquidity is based on an analysis of the underlying cost of capital for each source of liquidity including the line of credit or use of long-term assets with board approval. In addition, the Organization invests cash in excess of daily requirements in various investments held in assets limited as to use as board-designated quasi-endowment funds for long-term investing. These funds may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

**NOTE 7 PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at September 30:

	<u>2023</u>	<u>2022</u>
Land and Improvements	\$ 18,591,740	\$ 18,459,813
Buildings and Improvements	144,072,128	141,958,467
Furniture, Fixtures and Equipment	42,589,950	41,262,192
Vehicles	1,895,025	1,685,665
Total	<u>207,148,843</u>	<u>203,366,137</u>
Less: Accumulated Depreciation Construction In Progress	<u>(126,398,316)</u>	<u>(120,598,413)</u>
Total	80,750,527	82,767,724
Construction in Progress	15,658,099	4,427,725
Total Property and Equipment	<u>\$ 96,408,626</u>	<u>\$ 87,195,449</u>

Depreciation expense for the years ended September 30, 2023 and 2022 totaled approximately \$6,723,000 and \$6,750,000, respectively. Construction in progress related to construction of the BellaAge Hickory campus, master planning and routine renovation projects, as of September 30, 2023. Construction in progress related to routine renovation projects as of September 30, 2022.

The Organization signed contracts with architecture and construction firms for a total fee of approximately \$56,102,000. As of September 30, 2023, approximately \$44,404,000 remains to be paid on these contracts.

**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
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**NOTE 8 LONG-TERM DEBT**

Long-term debt consists of the following at September 30:

<u>Description</u>	<u>2023</u>	<u>2022</u>
North Carolina Medical Care Commission:		
Retirement Facilities First Mortgage Revenue Refunding Bonds (Everyage Prev. United Church Homes and Services), Series 2021A:		
Term Bonds Due 2041, Yielding 3.15% to 4.29%	\$ 6,540,000	\$ 6,540,000
Term Bonds Due 2047, Yielding 3.15% to 4.29%	11,815,000	11,815,000
Term Bonds Due 2051, Yielding 3.15% to 4.29%	3,850,000	3,850,000
Truist Bank:		
Direct Bank Term Loan, Series 2021D		
Due 2024-2037, Yielding 6.80%	17,975,000	18,190,000
Direct Bank Bond, Series 2022		
Due 2024-2052, Yielding 5.43%	6,420,787	1,102,841
Direct Bank Term Loan, Series 2022B (formerly 2021B)		
Due 2024-2037, Yielding 5.37%	3,550,000	3,885,000
Direct Bank Bond, Series 2023A		
Due 2024-2053, Yielding 3.32%	2,354,545	-
Direct Bank Term Loan, Series 2023B (formerly 2021C)		
Due 2024-2046, Yielding 5.37%	28,225,000	29,800,000
Economic Development Authority of the City of Suffolk:		
Variable Rate Demand Residential Care Facility Revenue Bonds (Lake Prince Center, Inc.), Series 2016:		
Serial Bonds Due 2024-2027 Yielding 1.40% to 3.5%	6,795,000	5,005,000
Term Bonds Due 2031, Yielding 3.5%	9,180,000	11,420,000
Total	<u>96,705,332</u>	<u>91,607,841</u>
Plus Net Premium, Net of Accumulated Amortization of \$1,420,822		
	3,308,596	3,597,527
Less: Deferred Financing Cost, Net of Accumulated Amortization of \$1,962,057		
	<u>(2,810,266)</u>	<u>(2,407,761)</u>
Total	97,203,662	92,797,607
Less: Current Portion		
	<u>(2,435,000)</u>	<u>(2,575,000)</u>
Long-Term Portion	<u>\$ 94,768,662</u>	<u>\$ 90,222,607</u>

During the 2017 fiscal year, the Organization entered into a financing agreement with the Economic Development Authority of the City of Suffolk (the Authority), under which the Authority issued tax-exempt Series 2016 revenue bonds of \$18,940,000. The bonds were issued to refund existing bonds for the Lake Prince Center.



**EVERYAGE AND AFFILIATES**  
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**NOTE 8 LONG-TERM DEBT (CONTINUED)**

During the 2022 fiscal year, the Organization entered into a re-financing agreement with the North Carolina Medical Care Commission, under which the Commission issued tax-exempt Series 2021A revenue bonds of \$22,205,000. The bonds were issued to refund the existing 2017B bonds of \$9,490,000 and 2017A bonds of \$10,300,000, in addition to \$4,100,000 of new project funding. The 2017B and 2017A debt was paid off during fiscal year 2022.

During the 2022 fiscal year, the Organization entered into a \$4,240,000 bank loan financing with a commercial lender (Series 2021B) and a \$18,385,000 bank loan financing with a commercial lender (Series 2021D). The loans were used to refund the existing 2015A bonds of \$21,230,000. The 2015A debt was paid off during the fiscal year 2022. Under the terms of the bond agreement, during the 2023 fiscal year, the Series 2021B Taxable Bonds were converted to the Series 2022B Tax-Exempt Bonds. There were no changes to the bond terms.

During the 2022 fiscal year, the Organization entered into a \$31,310,000 bank loan financing with a commercial lender (Series 2021C). The loan was used to refund the existing 2017C bonds of \$29,565,000. The 2017C debt was paid off during the fiscal year 2022. Under the terms of the bond agreement, during the 2023 fiscal year, the Series 2021C Taxable Bonds were converted to the Series 2023B Tax-Exempt Bonds. There were no changes to the bond terms.

During the 2022 fiscal year, the Organization entered into a financing agreement with the Economic Development Authority of the City of Suffolk (the Authority), under which the Lender will advance proceeds up to \$14,000,000. The final advance will be on September 8, 2025. The amount advanced as of September 30, 2022 was \$1,102,841. The loan will be used to pay for projects at Lake Prince Woods including a new wellness center and other renovations and upgrades.

On May 1, 2023, the Organization entered into a financing agreement with the North Carolina Medical Care Commission, under which the Commission issued tax-exempt Series 2023A revenue bonds of \$31,960,000. The bonds were issued to finance the costs of the BellaAge Hickory project and pay certain expenses incurred in connection with the authorization and issuance of the Bonds. The amount advanced as of September 30, 2023 was \$2,354,545.

With the issuance of the debt, the Organization executed a Master Trust Indenture that appointed all the Organization's divisions, excluding the Foundation, EA Holding, and Carolina SeniorCare, as members of the obligated group. Series 2016, 2021A, 2021B, 2017C, 2021D, 2022, and 2023A bonds are collateralized by a deed of trust on the land and buildings of the obligated group and the assignment of interest in use-for-life contracts for the obligated group.

The bonds are also collateralized by an assignment of the Commission and Authority's rights in the Loan Agreement to the bond trustee.

**EVERYAGE AND AFFILIATES**  
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**NOTE 8 LONG-TERM DEBT (CONTINUED)**

Under the terms of the bonds, the obligated group is required to maintain certain deposits with the trustee. Such deposits are included with assets limited as to use of the Organization. The Master Trust Indenture and Loan Agreements for these bonds include certain covenants and restrictions. Management is not aware of any noncompliance with the covenants and restrictions.

Scheduled principal repayments on long-term debt, excluding the net premium on the bonds, for the next five years and thereafter, are summarized as follows:

<u>September 30,</u>	<u>Total</u>
2024	\$ 2,435,000
2025	2,505,000
2026	2,935,000
2027	3,495,000
2028	3,645,000
Thereafter	<u>81,690,332</u>
Total	<u>\$ 96,705,332</u>

**NOTE 9 INTEREST RATE SWAP AGREEMENTS**

To reduce the impact of changes in interest rates on its variable rate bonds payable, the Organization has entered into four interest rate swap agreements for the 2021B-D bonds. Under the agreements, interest is payable at a fixed rate of 1.985-2.624% based on the outstanding balance of the bank qualified loans and have termination dates ranging from June 4, 2024 through October 1, 2036. The annual gain or loss on the fair value of the swap agreements is reported as revenue or expense in the combined statements of operations and changes in net assets. The interest rate swap agreements had a notional principal amount of \$58,597,500 and \$59,445,000 at September 30, 2023 and 2022, respectively. The fair value of the interest swap agreements at September 30, 2023 and 2022 is approximately \$7,617,000 and \$5,704,000, respectively.

In May 2023, the Organization entered into an additional interest rate swap agreement for the Series 2023 Bonds. Under the agreement, interest is payable at a fixed rate of 4.21% based on the outstanding balance of the bank qualified loan payable and has a termination date of May 1, 2030. The annual gain or loss on the fair value of the swap agreement is reported as revenue or expense in the consolidated statements of operations and changes in net assets. The interest rate swap agreement had a notional principal amount of \$614,046. The fair value of the interest swap agreements at September 30, 2023 is approximately \$813,000.

**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2023 AND 2022**

**NOTE 9 INTEREST RATE SWAP AGREEMENTS (CONTINUED)**

The combined fair value of all interest swap agreements at September 30, 2023 and 2022 is approximately \$8,430,000 and \$5,704,000, respectively. The fair value of the interest rate swap agreements was derived from proprietary models as of a given date, supplied by the swap advisor. The valuation is calculated on a mid-market basis and does not include bid/offered spread that would be reflected in an actual price quotation. This model relies on certain assumptions regarding past, present, and future market conditions.

**NOTE 10 LINE OF CREDIT**

The Organization had available a \$5,000,000 unsecured revolving line of credit with Truist due in full in June 2023. In June 2023, the line of credit was extended with a maturity date of June 2024. Amounts drawn against the line bore interest at the one-month SOFR rate plus 2.00% (5.14% at year-end), which was payable monthly. There are no amounts outstanding on the line of credit at September 30, 2023.

The Organization had available a \$3,000,000 unsecured revolving line of credit with People's Bank due in full in October 2022. Amounts drawn against the line bore interest at the prime rate less 0.250% (6.00% at year-end), which was payable monthly. The line of credit agreement included certain covenants and restrictions. The line of credit was not extended.

**NOTE 11 CAPITAL LEASES – ASC 840**

The Organization currently leases equipment under capital lease agreements. The asset and liability under the capital leases are recorded at the present value of the future lease payments, which approximates fair value. The asset is being amortized over the estimated useful life using the straight-line method and is included in depreciation expense.

Cost of equipment under capital leases was \$69,939 and the related accumulated depreciation was \$60,632.

Future lease payments under capital lease obligations are as follows for the year ended September 30, 2022:

<u>Year Ending September 30.</u>	<u>2023</u>
2023	\$ 11,900
Less amounts representing interest	(1,517)
Present value of future payments	<u>\$ 10,383</u>

**EVERYAGE AND AFFILIATES  
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**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as of September 30:

	2023	2022
Benevolent Trust	4,154,269	\$ 4,304,176
Capital Expansion	4,017,871	3,561,922
Total	\$ 8,172,140	\$ 7,866,098

**NOTE 13 EMPLOYEE GROUP HEALTH PLAN**

The Organization maintains a self-insured employee group health plan. The plan is administered by a third party and individual stop-loss coverage has been obtained at \$100,000, with a maximum aggregate limit of loss that fluctuates based on enrollment. The total plan expense incurred by the Organization during the year ended September 30, 2023 and 2022 was approximately \$3,547,000 and \$3,255,000, respectively.

**NOTE 14 RETIREMENT PLANS**

The Organization has a 403(b) plan that covers substantially all employees who meet eligibility requirements. The Organization contributes to the plan based on a percentage of gross wages paid. The expenses related to the plan during the year ended September 30, 2023 and 2022 were approximately \$825,000 and \$693,000, respectively.

The Organization has a nonqualified retirement plan that covers key management employees. The Organization contributes to the plan based on a percentage of the employee's salary. During the year ended September 30, 2023 and 2022, the Organization contributed \$378,000 and \$368,000, respectively.

The Organization also has a retirement annuity plan that covers ordained United Church of Christ ministers employed by the Organization. During the year ended September 30, 2023 and 2022, the Organization contributed 10% of the ministers' salary to the plan for a total of approximately \$8,000 and \$7,000, respectively.

**NOTE 15 CONCENTRATIONS OF CREDIT RISK**

The Organization maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

The Organization grants credit without collateral to its residents and is insured under third-party payor agreements. The mix of receivables from residents and third-party payors was as follows:

	2023	2022
Medicaid	6 %	30 %
Medicare	49	9
Private and Other Insurances	45	61
Total	100 %	100 %



EVERYAGE AND AFFILIATES  
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**NOTE 16 RESIDENT SERVICE REVENUE**

Resident services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing resident and PACE participant care. These amounts are due from residents, patients, participants, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the residents, patients, and third-party payors several days after the services are performed and monthly for capitated payment arrangements for PACE participants. Service fees paid by residents for maintenance, meals, and other services are assessed monthly and are recognized as revenue in the period services are rendered. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facilities receiving skilled nursing services or housing residents receiving services in the facilities. The Organization considers daily services provided to residents of the skilled nursing facilities, and monthly rental for housing services as a separate performance obligation and measures this on a monthly basis, or upon move-out within the month, whichever is shorter. Nonrefundable entrance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Revenue from nonrefundable entrance fees is recognized ratably in future periods covering a resident's life expectancy using a time-based measurement similar to the output method. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our residents and patients in a retail setting (for example, gift shop and cafeteria meals) and the Organization does not believe it is required to provide additional goods or services related to that sale.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Organization's policy, and/or implicit price concessions provided to residents. The Organization determines its estimates of contractual adjustments based on contractual agreements, its policy, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience.

**EVERYAGE AND AFFILIATES**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
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**NOTE 16 RESIDENT SERVICE REVENUE (CONTINUED)**

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare and Medicaid

The Organization's licensed nursing facilities participate in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). On October 1, 2019, CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare Prospective Payment System (PPS). Under PDPM, therapy minutes are removed as the primary basis for payment and instead the underlying complexity and clinical needs of a patient is used as a basis for reimbursement. In addition, PDPM introduced variable adjustment factors that change reimbursement rates during the resident's length of stay. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

Effective October 1, 2019, new PDPM HIPPS codes replaced RUG scores listed on each claim for determining reimbursement amounts. Annual Medicaid cost reports are required by the state of North Carolina, however, they are not used to settle the costs of claims. Instead, the cost reports are used in the development of price-based rates and to monitor the adequacy of the reimbursement methodology.

Other

Payment agreements with certain commercial insurance carriers provide for payment using prospectively determined daily rates.

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2023 or 2022.

**EVERYAGE AND AFFILIATES  
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**NOTE 16 RESIDENT SERVICE REVENUE (CONTINUED)**

Generally, residents and patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization estimates the transaction price for residents and patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent charges to the estimate of the transaction price are generally recorded as adjustments to resident and home and community-based services revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended September 30, 2023 or 2022. Subsequent changes that are determined to be the result of an adverse change in the resident's or patient's ability to pay are recorded as bad debt expense.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized.

**Contract Costs**

The Organization has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred as the amortization period of the asset that the Organization otherwise would have recognized is one year or less in duration.

The opening and closing contract balances related to resident accounts receivable and residence and service agreements were as follows:

	<u>Accounts Receivable</u>	<u>Deferred Revenue</u>
Balance as of October 1, 2021	\$ 2,213,288	\$ 35,148,153
Balance as of September 30, 2022	3,309,332	37,660,841
Balance as of September 30, 2023	3,374,298	41,928,863

**EVERYAGE AND AFFILIATES  
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**NOTE 17 FUNCTIONAL EXPENSES**

The table below presents functional expenses by their nature for the year ended September 30:

	2023					Total
	Salaries and Benefits	Contracted Services	Utilities	Repairs	Other	
<b>Health Services:</b>						
Health Care	10,804,849	\$ 1,850,873	\$ -	\$ 20,943	\$ 1,529,614	\$ 14,206,279
Medical Records	158,527	-	-	-	1,930	160,457
Personnel and Employee Benefits	8,069,556	-	-	-	2,339,010	10,408,566
Laundry	258,890	-	-	-	94,302	353,192
Social Services	276,521	-	-	-	1,783	278,304
Activities	383,952	-	-	-	28,990	412,942
Spiritual Life	206,920	-	-	-	644	207,564
Housekeeping	1,134,553	-	-	-	204,234	1,338,787
Plant Maintenance	968,310	-	1,860,553	1,537,318	1,619,683	5,985,864
Residential Living	-	166,488	-	-	-	166,488
Pavilion/Assisted Living	1,733,844	-	-	-	9	1,733,853
Clinic	129,406	-	-	-	75,844	205,250
Resident Services	229,616	-	-	-	48,070	277,686
Transportation	163,637	-	-	5,982	38,638	208,257
Dietary	2,659,789	-	-	251	2,513,004	5,173,044
Wellness Center	128,996	-	-	-	6,150	135,146
Beauty Shop	-	-	-	-	54,067	54,067
Day Care	-	-	-	-	343,379	343,379
Home Care	1,344,376	-	-	-	791,895	2,136,271
Home Health	419,584	-	-	-	640,015	1,059,599
PACE Expenses	4,873,786	5,946,057	61,141	123,493	3,848,747	14,853,224
Outside Services	-	122,636	-	-	-	122,636
<b>General and Administrative:</b>						
Administrative	3,985,259	-	-	-	2,002,110	5,987,369
Marketing	600,455	-	-	-	390,599	991,054
Staff Development	136,448	-	-	-	68,354	204,802
Depreciation	-	-	-	-	6,619,308	6,619,308
Real Estate Taxes	-	-	-	-	388,224	388,224
Interest Expense	-	-	-	-	3,878,856	3,878,856
Insurance	-	-	-	-	1,150,740	1,150,740
Bad Debts	-	-	-	-	359,651	359,651
Other Operating Expenses	-	-	-	-	706,860	706,860
<b>Total Expenses</b>	<b>\$ 38,667,274</b>	<b>\$ 8,086,054</b>	<b>\$ 1,921,694</b>	<b>\$ 1,687,987</b>	<b>\$ 29,744,710</b>	<b>\$ 80,107,719</b>



**EVERYAGE AND AFFILIATES  
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**NOTE 17 FUNCTIONAL EXPENSES (CONTINUED)**

	2022					Total
	Salaries and Benefits	Contracted Services	Utilities	Repairs	Other	
Health Services:						
Health Care	\$ 9,656,815	\$ 1,570,713	\$ -	\$ 20,545	\$ 1,292,800	\$ 12,540,873
Medical Records	140,369	-	-	-	2,786	143,155
Personnel and Employee Benefits	9,549,264	-	-	-	507,734	10,056,998
Laundry	208,258	-	-	-	80,745	289,003
Social Services	261,439	-	-	-	959	262,398
Activities	341,342	-	-	-	24,006	365,348
Spiritual Life	191,451	-	-	-	8,032	199,483
Housekeeping	1,001,451	-	-	-	185,175	1,186,626
Plant Maintenance	907,318	-	1,661,241	1,334,059	1,466,925	5,369,543
Residential Living	-	447,671	-	-	1,038	448,709
Pavilion/Assisted Living	1,516,950	54,128	-	-	34,868	1,605,946
Clinic	28,567	-	-	-	135,541	164,108
Resident Services	210,117	-	-	428	44,455	255,000
Transportation	153,868	-	-	-	48,338	202,206
Dietary	2,348,513	-	1,464	21,179	2,010,591	4,381,747
Wellness Center	110,880	-	-	-	10,789	121,669
Beauty Shop	-	-	-	-	36,478	36,478
Day Care	220,772	-	-	-	79,772	300,544
Home Care	2,015,678	-	-	-	262,687	2,278,365
Home Health	331,275	-	-	-	617,048	948,323
PACE Expenses	3,495,540	5,449,838	68,345	66,074	4,160,915	13,240,712
Outside Services	-	20,887	-	-	17,962	38,849
General and Administrative:						
Administrative	4,025,069	-	-	-	1,757,301	5,782,370
Marketing	546,373	-	-	-	337,865	884,238
Staff Development	103,501	-	-	-	52,746	156,247
Depreciation	-	-	-	-	6,749,921	6,749,921
Real Estate Taxes	-	-	-	-	394,989	394,989
Interest Expense	-	-	-	-	2,575,186	2,575,186
Insurance	-	-	-	-	1,084,910	1,084,910
Bad Debts	-	-	-	-	354,542	354,542
Other Operating Expenses	-	-	-	-	623,129	623,129
Total Expenses	<u>\$ 37,364,810</u>	<u>\$ 7,543,237</u>	<u>\$ 1,731,050</u>	<u>\$ 1,442,285</u>	<u>\$ 24,960,233</u>	<u>\$ 73,041,615</u>

**EVERYAGE AND AFFILIATES**  
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**NOTE 18 PROFESSIONAL AND GENERAL LIABILITY**

In the summer of 2002, the management of the Organization evaluated the best means of assuring the Organization's continued access to affordable liability and excess insurance coverage, including the possibility of obtaining such coverage from conventional and alternative insurance providers. After performing a diligent search, the Organization was not able to procure professional and general liability coverage from any insurance company licensed to do business in the state of North Carolina, and therefore, obtained liability coverage from Caring Communities Insurance Company (CCIC).

CCIC was an insured owned insurance company incorporated in and regulated by the Superintendent of Insurance of the Cayman Islands. In addition to the Organization, CCIC was owned by and insured approximately 25 other long-term care organizations that operate across the United States. As an insurance company that is not authorized to conduct business in North Carolina, CCIC was not subject to regulation by the North Carolina Department of Insurance nor covered under the North Carolina Guaranty Association. The Organization independently procured this liability coverage pursuant to the North Carolina General Statutes, which permit persons to obtain insurance from an insurer not authorized to do business in the state of North Carolina in the event that the full amount or kind of insurance necessary to protect the risks cannot be obtained from insurance companies authorized to do business in North Carolina. The policy was renewed November 30, 2004. Effective January 1, 2006, the insurance previously written by CCIC was written by Diapason Casualty Risk Retention Group, Inc., a District of Columbia corporation (DCRRG) regulated by the District of Columbia Department of Insurance. DCRRG was a wholly owned subsidiary of Diapason Shared Services, a District of Columbia nonprofit corporation (DSS). The four members of DSS, who were also owners of CCIC, were the insurers of DCRRG. DCRRG has given intent to offer insurance in North Carolina as required by federal law. DCRRG is substantially reinsured by CCIC.

As a risk retention group DCRRG is not covered under the North Carolina Guaranty Association. Effective January 1, 2008, CCIC and DCRRG completed a corporate restructuring. As a result of the restructuring, DCRRG changed its name to Caring Communities, a reciprocal Risk Retention Group (CCrRRG) and became a reciprocal insurer. The Organization, along with all other shareholders of CCIC, exchanged its shares of CCIC for a Charter Capital Account of CCrRRG. CCIC is now a wholly owned subsidiary of CCrRRG. Members of CCrRRG are required to pay assessed premiums and are subject to a per claim self-insurance retention. Insurance premiums under this program totaled \$869,039.

The Organization made an initial capital contribution to CCIC of \$187,855 in November of 2002 and additional capital contributions of \$72,252 on January 1, 2004, and \$28,901 on January 1, 2005. These capital contributions, totaling \$289,008, are represented by the Organization's Charter Capital Account of CCrRRG and are included in other noncurrent assets in its combined statement of financial position. At year-end, the value of the Organization's Charter Capital Account is \$783,407 due to premiums in excess of claims paid by CCrRRG.

**EVERYAGE AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS  
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**NOTE 19 RELATED PARTIES**

The following organizations are considered related parties of the Organization due to management and administrative services provided to them by the Organization:

- New Bern Older Adult Housing, Inc. (NOAH), a HUD 202 facility in New Bern, North Carolina.
- UCC Living Center, Inc. (Covenant Place), a HUD 202 project in Chapel Hill, North Carolina.
- Statesville Elderly Housing, Inc. (Emmanuel's Place), a HUD 202 facility in Statesville, North Carolina.
- Carolina Senior Living, Inc. a HUD 202 facility in Lexington, North Carolina.
- UDI/St. Joseph's, Inc. (St. Joseph's Place), a HUD 202 facility in Durham, North Carolina.
- Albemarle Older Adult Housing, Inc. (Matthew's Place), a HUD 202 facility in Albemarle, North Carolina.
- The Willows, a HUD 202 facility in Burlington, North Carolina.
- Elderhaus, Inc., a nonprofit PACE program in Wilmington, North Carolina
- Elderhaus at the Lake, a nonprofit Adult Day Service Program in Wilmington, North Carolina
- Iredell Adult Day Services, a nonprofit Adult Day Service Program in Statesville, North Carolina

The Organization provides management and administrative services to the above organizations. Management fee income was approximately \$919,000 and \$177,000, respectively.

The Organization pays salaries and employee benefit expense on behalf of its related parties, charging for expenses paid on a reimbursement basis. The Organization, as the sponsoring organization of these related parties, also advanced these entities funding for initial development costs.

The Organization was owed the following at September 30:

	<u>2023</u>	<u>2022</u>
Noah	\$ 257,433	\$ 274,098
Covenant Place	99,610	23,680
Emmanuel's Place	4,143	6,378
St. Joseph's Place	137,343	119,460
Carolina Senior Living	49,462	5,450
Matthew's Place	89,445	17,771
Willows	344,833	159,204
Elderhaus, Inc.	1,283,827	217,950
Elderhaus At The Lake	808,780	345,106
Iredell Adult Day Services	248	-
Total	<u>\$ 3,075,124</u>	<u>\$ 1,169,097</u>

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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors  
EveryAge and Affiliates  
Newton, North Carolina

We have audited the combined financial statements of EveryAge and Affiliates as of and for the year ended September 30, 2023, and have issued our report thereon dated January 24, 2024, which contained an unmodified opinion on those combined financial statements. Our audit was performed for the purpose of forming an opinion on the combined financial statements as a whole. The combining statement of financial position, and combining statement of operations and changes in net assets without donor restrictions as of and for the year ended September 30, 2023 are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
January 24, 2024

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**EVERYAGE AND AFFILIATES**  
**COMBINING STATEMENT OF FINANCIAL POSITION**  
**YEAR ENDED SEPTEMBER 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT FOR SUPPLEMENTARY INFORMATION)**

	Corporate Office	Abemethy Laurels	Piedmont Crossing	EveryAge Subtotal	Lake Prince Center, Inc.	BellaAge	Total Obligated Group	Foundation	EA Holding	Carolina SeniorCare	Total
<b>ASSETS</b>											
<b>CURRENT ASSETS</b>											
Cash and Cash Equivalents	\$ 1,383,861	\$ 1,900	\$ 400	\$ 1,386,161	\$ 1,000	\$ 7,854	\$ 1,395,015	\$ 1,714,904	\$ 10,065	\$ 718,610	\$ 3,836,684
Cash and Cash Equivalents, Limited as to Use	182	-	-	182	-	-	182	-	-	-	182
Accounts Receivable, Net	-	1,570,300	943,327	2,513,627	871,816	-	3,385,443	(20,305)	-	9,160	3,374,298
Other Receivables, Net	11,638	249,657	246,428	507,723	271,552	23,488	802,763	203,048	-	453,615	1,459,426
Due from Related Parties, Current	-	26,985,631	-	26,985,631	3,158,557	-	30,144,188	-	-	-	30,144,188
Other Current Assets	299,799	183,950	144,703	628,452	101,784	-	730,236	3,500	-	75,403	809,139
<b>Total Current Assets</b>	<b>1,695,480</b>	<b>26,991,438</b>	<b>1,334,858</b>	<b>32,021,776</b>	<b>4,404,709</b>	<b>31,342</b>	<b>36,457,627</b>	<b>1,901,257</b>	<b>10,065</b>	<b>1,256,788</b>	<b>39,625,917</b>
Due from Related Parties, Less Current Portion	227,524	-	-	227,524	-	-	227,524	-	-	-	227,524
Assets Limited as to Use	64,973,178	21,996	9,826	65,005,000	1,528,491	98,337	66,631,828	10,693,317	99,765	7,593,734	85,018,644
Equity Investment	1,326,104	-	-	1,326,104	-	-	1,326,104	-	-	-	1,326,104
Interest Rate Swap Agreements	-	6,093,038	1,524,248	7,617,286	-	812,669	8,429,975	-	-	-	8,429,975
Other Noncurrent Assets	1,203,454	-	-	1,203,454	-	-	1,203,454	-	-	-	1,203,454
Property and Equipment, Net	7,659,851	46,999,916	10,486,559	65,146,326	24,771,500	5,129,030	95,046,856	-	-	1,361,770	96,408,626
<b>Total Assets</b>	<b>\$ 77,065,591</b>	<b>\$ 82,106,388</b>	<b>\$ 13,355,491</b>	<b>\$ 172,547,470</b>	<b>\$ 30,704,700</b>	<b>\$ 6,071,396</b>	<b>\$ 209,323,568</b>	<b>\$ 12,594,554</b>	<b>\$ 109,830</b>	<b>\$ 10,212,292</b>	<b>\$ 232,240,244</b>
<b>LIABILITIES AND NET ASSETS</b>											
<b>CURRENT LIABILITIES</b>											
Current Portion of Long-Term Debt	-	1,614,060	345,940	1,960,000	475,000	-	2,435,000	-	-	-	2,435,000
Accounts Payable	275,563	273,913	443,161	992,637	1,647,135	892,622	3,532,594	41,989	-	2,071,813	5,646,396
Accrued Salaries and Related Benefits	890,194	1,191,608	853,307	2,935,099	574,433	-	3,500,532	14,807	-	422,154	3,946,493
Other Current Payables	71,072	655,064	689,065	1,415,201	891,014	-	2,306,215	-	-	586,097	2,892,312
Due to (from) Affiliates	17,859,841	-	5,196,427	23,056,268	-	76,804	23,133,072	3,670,175	16,715	476,626	27,296,586
<b>Total Current Liabilities</b>	<b>19,096,660</b>	<b>3,734,645</b>	<b>7,527,900</b>	<b>30,359,205</b>	<b>3,587,582</b>	<b>969,626</b>	<b>34,916,413</b>	<b>3,726,971</b>	<b>16,715</b>	<b>3,556,690</b>	<b>42,216,789</b>
<b>LONG-TERM LIABILITIES</b>											
Long-Term Debt, Less Current Portion	-	57,387,027	14,079,565	71,466,592	21,482,426	1,819,644	94,768,662	-	-	-	94,768,662
Refundable Advance Fees	-	3,837,909	2,266,807	6,104,716	2,237,584	-	8,342,300	-	-	-	8,342,300
Deferred Revenue from Advance Fees	-	11,980,087	8,199,537	20,179,624	21,749,239	-	41,928,863	-	-	-	41,928,863
<b>Total Liabilities</b>	<b>19,096,660</b>	<b>76,939,688</b>	<b>32,073,809</b>	<b>128,110,137</b>	<b>49,056,831</b>	<b>2,789,270</b>	<b>179,956,238</b>	<b>3,726,971</b>	<b>16,715</b>	<b>3,556,690</b>	<b>187,256,614</b>
<b>NET ASSETS</b>											
Without Donor Restrictions	57,968,931	5,151,740	(18,718,318)	44,422,353	(18,352,131)	3,282,128	29,352,350	710,423	93,115	6,655,602	36,811,490
With Donor Restrictions	-	14,980	-	14,980	-	-	14,980	8,157,160	-	-	8,172,140
<b>Total Net Assets</b>	<b>57,968,931</b>	<b>5,166,720</b>	<b>(18,718,318)</b>	<b>44,437,333</b>	<b>(18,352,131)</b>	<b>3,282,128</b>	<b>29,367,330</b>	<b>8,867,583</b>	<b>93,115</b>	<b>6,655,602</b>	<b>44,983,630</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 77,065,591</b>	<b>\$ 82,106,388</b>	<b>\$ 13,355,491</b>	<b>\$ 172,547,470</b>	<b>\$ 30,704,700</b>	<b>\$ 6,071,396</b>	<b>\$ 209,323,568</b>	<b>\$ 12,594,554</b>	<b>\$ 109,830</b>	<b>\$ 10,212,292</b>	<b>\$ 232,240,244</b>



**EVERYAGE AND AFFILIATES**  
**COMBINING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**  
**YEAR ENDED SEPTEMBER 30, 2023**

(SEE INDEPENDENT AUDITORS' REPORT FOR SUPPLEMENTARY INFORMATION)

	Corporate Office	Abemethy Laureis	Piedmont Crossing	EveryAge Subtotal	Lake Prince Center, Inc.	BellaAge	Total Obligated Group	Foundation	EA Holding	Carolina SeniorCare	Total
<b>Operating Revenues:</b>											
Health Care	\$ -	\$ 18,685,516	\$ 10,444,653	\$ 29,130,169	\$ 3,335,141	\$ -	\$ 32,465,310	\$ -	\$ -	\$ -	\$ 32,465,310
Pavilion/Assisted Living	-	909,111	577,741	1,486,852	2,536,775	-	4,023,627	-	-	-	4,023,627
Residential Living	-	5,659,963	4,702,249	10,362,212	4,982,462	-	15,344,674	-	-	-	15,344,674
Amortization of Advance Fees	-	2,015,047	1,570,533	3,585,580	2,484,247	-	6,069,827	-	-	-	6,069,827
Home Care	-	492,525	660,562	1,153,087	1,078,447	-	2,231,534	-	-	-	2,231,534
PACE Income	-	-	-	-	-	-	-	-	-	17,216,832	17,216,832
Management Fee Income	919,474	-	-	919,474	-	-	919,474	-	-	-	919,474
Outside Services	-	155,566	34,572	190,128	143,922	-	334,050	-	-	-	334,050
Other Operating Revenue	954,312	426,760	162,914	1,543,986	162,093	-	1,706,079	-	-	734	1,706,813
<b>Total Operating Revenues</b>	<b>1,873,786</b>	<b>28,344,478</b>	<b>18,153,224</b>	<b>48,371,488</b>	<b>14,723,087</b>	<b>-</b>	<b>63,094,575</b>	<b>-</b>	<b>-</b>	<b>17,217,566</b>	<b>80,312,141</b>
<b>Operating Expenses:</b>											
<b>Health Services:</b>											
Health Care	-	6,921,497	5,375,424	12,296,921	1,909,537	-	14,206,458	-	-	(179)	14,206,279
Medical Records	-	76,956	36,716	113,672	41,802	-	155,474	-	-	4,983	160,457
Personnel and Employee Benefits	1,968,812	3,879,828	2,595,893	8,444,533	1,851,497	-	10,296,030	73,808	-	38,728	10,408,566
Laundry	-	139,868	154,320	294,188	59,004	-	353,192	-	-	-	353,192
Social Services	-	112,292	110,686	222,978	55,166	-	278,144	-	-	160	278,304
Activities	-	239,514	70,443	309,957	102,985	-	412,942	-	-	-	412,942
Spiritual Life	-	75,941	56,914	132,855	74,709	-	207,564	-	-	-	207,564
Housekeeping	-	709,975	396,302	1,106,277	232,256	-	1,338,533	-	-	254	1,338,787
Plant Maintenance	-	2,495,272	1,725,799	4,221,071	1,764,418	-	5,985,489	-	-	375	5,985,864
Residential Living	-	136,835	29,653	166,488	-	-	166,488	-	-	-	166,488
Pavilion/Assisted Living	-	541,136	198,577	739,713	994,140	-	1,733,853	-	-	-	1,733,853
Clinic	-	87,695	20,969	108,664	-	-	108,664	-	-	96,586	205,250
Resident Services	-	50,053	130,304	180,357	97,329	-	277,686	-	-	-	277,686
Transportation	-	130,644	42,034	172,678	35,579	-	208,257	-	-	-	208,257
Dietary	-	2,241,586	1,844,431	4,086,017	1,065,263	-	5,151,280	-	-	21,764	5,173,044
Wellness Center	-	135,146	-	135,146	-	-	135,146	-	-	-	135,146
Beauty Shop	-	-	20,308	20,308	33,759	-	54,067	-	-	-	54,067
Day Care	343,379	-	-	343,379	-	-	343,379	-	-	-	343,379
Home Care	-	456,143	588,571	1,044,714	338,751	-	1,383,465	-	-	752,806	2,136,271
Home Health	-	-	-	-	1,059,599	-	1,059,599	-	-	-	1,059,599
PACE Expenses (Including Depreciation)	-	-	-	-	-	-	-	-	-	14,853,224	14,853,224
Outside Services	-	-	-	-	122,636	-	122,636	-	-	-	122,636
<b>General and Administrative:</b>											
Administrative	3,876,499	653,963	599,666	5,130,128	610,125	2,488	5,742,741	244,031	-	597	5,987,369
Marketing	-	381,538	244,849	626,387	363,118	-	989,505	-	-	1,549	991,054
Staff Development	-	108,624	18,350	126,974	77,828	-	204,802	-	-	-	204,802
Management Fees	(4,838,258)	1,630,176	1,180,952	(2,027,130)	907,797	-	(1,119,333)	-	-	1,119,333	-
Depreciation	376,155	3,215,981	1,325,620	4,917,756	1,701,552	-	6,619,308	-	-	-	6,619,308
Real Estate Taxes	13,565	-	-	13,565	360,243	14,416	388,224	-	-	-	388,224
Interest Expense (Including Amortization)	57,805	2,538,181	445,200	3,041,186	832,608	5,062	3,878,856	-	-	-	3,878,856
Insurance	136,481	469,260	325,626	931,367	219,373	-	1,150,740	-	-	-	1,150,740
Bad Debts	-	169,205	158,915	328,120	31,531	-	359,651	-	-	-	359,651
Other Operating Expenses	49,480	237,877	186,673	474,030	213,038	46	687,114	1,295	812	17,639	706,860
<b>Total Operating Expense</b>	<b>1,983,918</b>	<b>27,835,186</b>	<b>17,883,195</b>	<b>47,702,299</b>	<b>15,155,643</b>	<b>22,012</b>	<b>62,879,954</b>	<b>319,134</b>	<b>812</b>	<b>16,907,819</b>	<b>80,107,719</b>
<b>Operating Income (Loss)</b>	<b>(110,132)</b>	<b>509,292</b>	<b>270,029</b>	<b>669,189</b>	<b>(432,556)</b>	<b>(22,012)</b>	<b>214,621</b>	<b>(319,134)</b>	<b>(812)</b>	<b>309,747</b>	<b>204,422</b>

**EVERYAGE AND AFFILIATES**  
**COMBINING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT FOR SUPPLEMENTARY INFORMATION)**

	Corporate Office	Abernathy Laurels	Fiedmont Crossing	UCHS Subtotal	Lake Prince Center, Inc.	BellaAge	Total Obligated Group	Foundation	EA Holding	Carolina Senior Care	Total
Nonoperating Income (Loss):											
Contributions and Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,489,672	\$ 2,489,672	\$ 150,654	\$ -	\$ -	2,640,326
Contribution Expense	(519,953)	-	-	(519,953)	-	-	(519,953)	-	(2,139,672)	-	(2,659,625)
Investment Return, Net	6,271,082	89	-	6,271,171	76,608	1,779	6,349,558	939,951	9,995	7,270	7,306,774
Change In Fair Value of Interest Rate Swap Agreements	-	1,570,374	343,205	1,913,579	-	812,689	2,726,268	-	-	-	2,726,268
Gain (Loss) on Sale of Property and Equipment	3,212	(2,058)	(103,630)	(102,476)	(1,097)	-	(103,573)	-	-	31,575	(71,998)
Other Nonoperating Income (Expense)	-	438,525	98,792	537,317	339,213	-	876,530	(575,402)	-	1,174	302,302
Net Assets Released from Restrictions	-	14,579	-	14,579	-	-	14,579	575,402	-	-	589,981
Total Nonoperating Income	5,754,341	2,021,509	338,367	6,114,217	414,724	3,304,140	11,833,081	1,090,605	(2,129,677)	40,019	10,834,028
Changes in Net Assets Without Donor Restriction	\$ 5,644,209	\$ 2,530,801	\$ 608,396	\$ 8,783,406	\$ (17,832)	\$ 3,282,128	\$ 12,047,702	\$ 771,471	\$ (2,130,489)	\$ 349,766	\$ 11,038,450

## **Exhibit 5: Interim Financial Statements**

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For the Period Ended October 31, 2024 (unaudited for EveryAge Consolidated)

1. EveryAge Balance Sheet
2. EveryAge Profit and Loss
3. EveryAge Cash Flow Statement

For the Period Ended October 31, 2024 (unaudited for Providence Place, LLC Consolidated)

4. Providence Place Balance Sheet
5. Providence Place Profit and Loss
6. Providence Place Cash Flow Statement

Fiscal Year 2025 Budgets

7. EveryAge Consolidated
8. Providence Place Consolidated



# 1. EveryAge Balance Sheet (Side by Side)

For the period ended October 31, 2024 (Unaudited)

EveryAge Balance Sheet (Side by Side)  
For the period ended October 31, 2024

	Home Office	BellaAge	Abermethy Laurels	Piedmont Crossing	Providence Place	North Carolina Total	Lake Prince Woods	EveryAge Obligated Group	EveryAge Foundation	EA Holding	PACE	EveryAge Consolidated Organization
<b>Assets</b>												
<b>Current Assets:</b>												
Cash & Cash Equivalents	\$3,686,706	\$24,604	\$1,900	\$48,499	\$2,740,561	\$6,502,271	\$7,935	\$6,510,206	\$684,073	\$10,063	\$1,751,664	\$8,956,008
Accounts Receivable	\$0	\$0	\$1,820,320	\$1,177,057	\$1,978,704	\$4,976,081	\$1,246,360	\$6,222,441	\$0	\$0	\$319,263	\$6,541,704
Less: Allow Doubtful Accounts	\$0	\$0	(\$396,962)	(\$123,081)	(\$358,525)	(\$1,038,568)	(\$52,151)	(\$1,090,719)	(\$14,029)	\$0	(\$95,406)	(\$1,200,154)
Other Accounts Receivable	\$20,827	\$78,191	\$125,025	\$23,733	\$2,385	\$250,361	\$91	\$250,452	\$142,480	\$0	\$687,911	\$1,080,843
Accrued Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$44,347	\$44,347	\$0	\$0	\$0	\$44,347
Inventory	\$0	\$0	\$60,622	\$90,346	\$0	\$110,968	\$33,415	\$144,383	\$0	\$0	\$31,706	\$176,089
Due From Related Parties, Current	\$1,236,917	\$0	\$0	\$0	\$0	\$1,236,917	\$0	\$1,236,917	\$0	\$0	\$0	\$1,236,917
Prepaid Expenses	\$447,240	\$3,901	\$117,033	\$107,461	\$41,211	\$716,846	\$87,260	\$804,106	\$5,429	\$0	\$48,399	\$857,934
<b>Total Current Assets</b>	<b>\$5,391,690</b>	<b>\$106,696</b>	<b>\$1,767,938</b>	<b>\$1,284,017</b>	<b>\$4,204,536</b>	<b>\$12,754,877</b>	<b>\$1,367,256</b>	<b>\$14,122,133</b>	<b>\$817,954</b>	<b>\$10,063</b>	<b>\$2,743,537</b>	<b>\$17,693,688</b>
<b>Non-Current Assets:</b>												
Board Designated	\$56,982,858	\$0	\$0	\$0	\$0	\$56,982,858	\$0	\$56,982,858	\$14,285,184	\$121,495	\$71,961	\$71,461,498
Investments	\$104,406	\$0	\$0	\$0	\$0	\$104,406	\$0	\$104,406	\$0	\$0	\$9,111,130	\$9,215,536
Operating Reserve	\$15,411,282	\$0	\$0	\$0	\$0	\$15,411,282	\$0	\$15,411,282	\$0	\$0	\$0	\$15,411,282
Escrow Deposits	\$0	\$0	\$0	\$0	\$0	\$0	\$41,702	\$41,702	\$0	\$0	\$0	\$41,702
Resident Funds	\$0	\$0	\$23,633	\$7,946	\$18,115	\$49,693	\$378	\$50,071	\$0	\$0	\$0	\$50,071
Debt Service Reserves	\$1,617,636	\$1,117	\$0	\$0	\$2,362,873	\$3,981,625	\$1,830,010	\$5,811,636	\$0	\$0	\$0	\$5,811,636
Assets Limited as to Use	\$74,116,182	\$1,117	\$23,633	\$7,946	\$18,115	\$74,166,992	\$1,872,090	\$76,039,082	\$14,285,184	\$121,495	\$9,183,091	\$99,628,852
Fair Value of Interest Rate Swaps	\$0	\$283,590	\$4,763,090	\$1,180,730	\$355,914	\$6,583,284	\$0	\$6,583,284	\$0	\$0	\$0	\$6,583,284
Due From Related Parties, Less Current Portion	\$227,524	\$0	\$0	\$0	\$0	\$227,524	\$0	\$227,524	\$0	\$0	\$0	\$227,524
Equity Investment	\$1,607,080	\$0	\$0	\$0	\$0	\$1,607,080	\$0	\$1,607,080	\$0	\$0	\$0	\$1,607,080
Other Non-Current Assets	\$1,242,027	\$0	\$0	\$0	\$0	\$1,242,027	\$0	\$1,242,027	\$0	\$0	\$0	\$1,242,027
Property, Plant & Equipment Gross	\$11,459,058	\$23,843,166	\$97,462,996	\$43,886,959	\$44,109,576	\$220,761,755	\$74,147,835	\$294,909,590	\$0	\$0	\$9,661,260	\$304,570,850
Less: Accumulated Depreciation	(\$3,948,358)	\$0	(\$51,777,018)	(\$32,992,490)	(\$185,273)	(\$88,903,140)	(\$44,274,712)	(\$133,177,852)	\$0	\$0	(\$2,678,922)	(\$135,856,774)
Net Property, Plant & Equipment	\$7,510,699	\$23,843,166	\$45,685,978	\$10,894,469	\$43,924,304	\$131,858,615	\$29,873,123	\$161,731,739	\$0	\$0	\$6,982,338	\$168,714,077
<b>Total Non-current Assets</b>	<b>\$84,703,513</b>	<b>\$24,127,873</b>	<b>\$50,472,660</b>	<b>\$12,083,144</b>	<b>\$44,298,332</b>	<b>\$215,685,523</b>	<b>\$31,745,213</b>	<b>\$247,430,736</b>	<b>\$14,285,184</b>	<b>\$121,495</b>	<b>\$16,163,429</b>	<b>\$278,002,844</b>
<b>Total Assets</b>	<b>\$90,095,203</b>	<b>\$24,234,569</b>	<b>\$52,240,599</b>	<b>\$13,367,161</b>	<b>\$50,865,741</b>	<b>\$230,803,272</b>	<b>\$33,112,469</b>	<b>\$263,915,741</b>	<b>\$15,103,138</b>	<b>\$131,560</b>	<b>\$18,908,966</b>	<b>\$298,059,405</b>
<b>Liabilities and Net Assets</b>												
<b>Current Liabilities:</b>												
Line of Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,791,108	\$3,791,108
Current Portion of Long-term Debt	\$0	\$0	\$355,220	\$139,780	\$914,980	\$1,409,980	\$1,960,000	\$3,369,980	\$0	\$0	\$0	\$3,369,980
Accounts Payable	\$485,215	\$3,326,476	\$405,495	\$390,051	\$700,416	\$5,257,653	\$373,118	\$5,630,771	\$1,510	\$0	\$3,567,337	\$9,199,618
Wages/Taxes/Withholding Payable	\$1,193,863	\$6,428	\$1,625,444	\$1,023,286	\$374,303	\$4,423,324	\$778,871	\$5,202,194	\$20,725	\$0	\$998,914	\$6,221,834
Resident Funds Liability	\$0	\$23,847	\$23,633	\$7,946	\$20,115	\$75,540	\$378	\$75,918	\$0	\$0	\$0	\$75,918
Resident Escrows	\$0	\$0	\$0	\$52,185	\$0	\$52,185	\$246,605	\$298,790	\$0	\$0	\$0	\$298,790
Refunds Payable	\$0	\$0	\$158,140	\$137,075	\$0	\$295,215	(\$7,709)	\$287,512	\$0	\$0	\$0	\$287,512
Advance Deposits	\$0	\$0	\$28,319	\$934,559	\$14,933	\$997,813	\$358,228	\$1,356,041	\$0	\$0	\$0	\$1,356,041
Due to Affiliates	\$17,746,539	\$267,417	(\$28,917,963)	\$6,551,701	\$850,806	(\$3,501,499)	(\$2,553,000)	(\$6,054,499)	\$3,765,638	\$16,715	\$2,298,620	\$26,495
Deferred Revenue	\$0	\$350	\$0	\$0	\$0	\$350	\$0	\$350	\$0	\$0	\$29,704	\$30,054
Other Current Liabilities	\$74,330	\$76,778	\$285,820	\$68,080	\$297,168	\$802,175	\$393,592	\$1,195,767	\$0	\$0	\$17,421	\$1,213,188
<b>Total Current Liabilities</b>	<b>\$19,449,946</b>	<b>\$3,701,295</b>	<b>(\$26,035,892)</b>	<b>\$9,324,663</b>	<b>\$3,372,723</b>	<b>\$9,812,736</b>	<b>\$1,550,088</b>	<b>\$11,362,823</b>	<b>\$3,787,893</b>	<b>\$16,715</b>	<b>\$10,703,104</b>	<b>\$25,870,536</b>
<b>Non-current Liabilities:</b>												
Long Term Debt, Less Current Portion	\$0	\$17,626,100	\$56,938,362	\$13,916,210	\$47,136,660	\$135,617,332	\$26,085,970	\$161,703,303	\$0	\$0	\$0	\$161,703,303
Deferred Revenue - Resident Fee (Non Refundable)	\$0	\$0	\$12,744,168	\$7,874,229	\$0	\$20,618,396	\$22,507,690	\$43,126,086	\$0	\$0	\$0	\$43,126,086
Long Term Refunds Payable (Refundable)	\$0	\$0	\$3,418,841	\$2,174,445	\$0	\$5,593,287	\$2,122,405	\$7,715,692	\$0	\$0	\$0	\$7,715,692
<b>Total Non-current Liabilities</b>	<b>\$0</b>	<b>\$17,626,100</b>	<b>\$73,101,371</b>	<b>\$23,964,884</b>	<b>\$47,136,660</b>	<b>\$161,829,015</b>	<b>\$50,716,066</b>	<b>\$212,545,080</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$212,545,080</b>
<b>Total Liabilities</b>	<b>\$19,449,946</b>	<b>\$21,327,396</b>	<b>\$47,065,479</b>	<b>\$33,289,547</b>	<b>\$50,509,383</b>	<b>\$171,641,750</b>	<b>\$52,266,153</b>	<b>\$223,907,904</b>	<b>\$3,787,893</b>	<b>\$16,715</b>	<b>\$10,703,104</b>	<b>\$238,415,616</b>
<b>Net Assets:</b>												
With Donor Restrictions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,422,190	\$0	\$97,615	\$8,956,008
Without Donor Restrictions:												
Retained Earnings-Prior Year	\$71,621,733	\$2,256,371	\$4,407,601	(\$20,057,228)	(\$253,544)	\$57,974,934	(\$18,928,549)	\$39,046,384	\$3,165,335	\$115,769	\$8,179,372	\$50,506,861
Retained Earnings-Current Year	(\$976,477)	\$630,802	\$767,519	\$134,842	\$609,902	\$1,186,588	(\$225,135)	\$961,454	(\$272,281)	(\$923)	(\$71,125)	\$617,124
<b>Total Net Assets</b>	<b>\$70,645,256</b>	<b>\$2,907,174</b>	<b>\$5,175,120</b>	<b>(\$19,922,386)</b>	<b>\$356,358</b>	<b>\$59,161,522</b>	<b>(\$19,153,684)</b>	<b>\$40,007,838</b>	<b>\$11,315,244</b>	<b>\$114,845</b>	<b>\$8,207,862</b>	<b>\$59,643,789</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$90,095,203</b>	<b>\$24,234,569</b>	<b>\$52,240,599</b>	<b>\$13,367,161</b>	<b>\$50,865,741</b>	<b>\$230,803,272</b>	<b>\$33,112,469</b>	<b>\$263,915,741</b>	<b>\$15,103,138</b>	<b>\$131,560</b>	<b>\$18,908,966</b>	<b>\$298,059,405</b>

**2. EveryAge Profit and Loss (YTD)**  
For the Period Ending October 31, 2024 (Unaudited)

EveryAge Profit and Loss (YTD)  
For the period ended October 31, 2024

	Home Office	BellaAge	Abernethy Laurels	Fedmont Crossing	Providence Place	North Carolina Total	Lake Prince Woods	EveryAge Obligated Group	EveryAge Foundation	EA Holding	PACE	EveryAge Consolidated Organization
<b>OPERATING REVENUES:</b>												
Health Care	\$0	\$0	\$1,719,927	\$950,919	\$1,337,945	\$4,008,792	\$388,232	\$4,397,024	\$0	\$0	\$0	\$4,397,024
Home Care	\$0	\$0	\$119,025	\$50,660	\$0	\$169,685	\$26,886	\$196,571	\$0	\$0	\$575	\$197,146
Home Health	\$0	\$0	\$0	\$0	\$0	\$0	\$71,847	\$71,847	\$0	\$0	\$0	\$71,847
Adult Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$59,321	\$59,321
Hospice	\$0	\$0	\$0	\$0	\$0	\$0	\$45,011	\$45,011	\$0	\$0	\$0	\$45,011
Outside Services	\$0	\$0	\$0	\$0	\$0	\$0	\$17,614	\$17,614	\$0	\$0	\$0	\$17,614
Rental	\$0	\$0	\$0	\$0	\$70,344	\$70,344	\$0	\$70,344	\$0	\$0	\$0	\$70,344
Capitation Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,756,827	\$2,756,827
Pavilion/Assisted Living	\$0	\$0	\$77,356	\$21,159	\$382,057	\$480,571	\$258,355	\$738,926	\$0	\$0	\$0	\$738,926
Residential Living	\$0	\$0	\$563,451	\$389,780	\$228,185	\$1,181,415	\$489,872	\$1,671,287	\$0	\$0	\$0	\$1,671,287
<b>Net Service Revenue</b>	\$0	\$0	\$2,479,758	\$1,412,519	\$2,018,531	\$5,910,808	\$1,295,817	\$7,206,625	\$0	\$0	\$2,816,723	\$10,023,348
Amortization of Advance Fees	\$0	\$0	\$182,675	\$162,500	\$0	\$345,175	\$229,167	\$574,341	\$0	\$0	\$0	\$574,341
Other Operating Revenue	\$695,323	\$0	\$28,919	\$28,409	\$2,942	\$755,594	\$19,730	\$775,324	\$0	\$0	\$3,528	\$778,852
<b>Total Operating Revenue</b>	\$695,323	\$0	\$2,691,352	\$1,603,428	\$2,021,474	\$7,011,577	\$1,544,713	\$8,556,290	\$0	\$0	\$2,820,251	\$11,376,341
<b>OPERATING EXPENSES:</b>												
Health Care	\$0	\$0	\$725,467	\$487,253	\$590,948	\$1,803,467	\$226,514	\$2,029,781	\$0	\$0	\$0	\$2,029,781
Primary Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,606	\$47,606
Restorative Therapy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58,162	\$58,162
Outpatient Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180,773	\$180,773
Inpatient Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$518,352	\$518,352
Center Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,096	\$70,096
Recreational Therapy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,572	\$23,572
Pharmacy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$567,722	\$567,722
Nutrition	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,657	\$42,657
Medical Records	\$0	\$0	\$10,350	\$4,217	\$3,421	\$17,989	\$3,823	\$21,811	\$0	\$0	\$0	\$21,811
Personnel	\$252,884	\$1,392	\$520,135	\$257,298	\$206,561	\$1,238,269	\$239,609	\$1,477,877	\$6,569	\$0	\$284,857	\$1,769,305
Laundry	\$0	\$0	\$15,038	\$8,914	\$423	\$24,375	\$7,588	\$31,963	\$0	\$0	\$0	\$31,963
Social Services	\$0	\$0	\$14,954	\$11,278	\$16,967	\$43,200	\$3,291	\$46,491	\$0	\$0	\$26,355	\$72,846
Activities	\$0	\$0	\$26,251	\$9,678	\$12,861	\$48,790	\$12,609	\$61,399	\$0	\$0	\$0	\$61,399
Spiritual Life	\$0	\$0	\$7,328	\$6,330	\$0	\$13,659	\$6,880	\$20,539	\$0	\$0	\$5,755	\$26,294
Housekeeping	\$0	\$0	\$71,615	\$36,110	\$64,615	\$172,340	\$27,655	\$199,995	\$0	\$0	\$15,318	\$215,313
Plant Maintenance	\$0	\$872	\$238,519	\$167,492	\$71,947	\$478,830	\$190,791	\$669,621	\$0	\$0	\$40,622	\$710,243
Staff Development	\$0	\$0	\$7,846	\$3,041	\$392	\$11,279	\$7,184	\$18,464	\$0	\$0	\$0	\$18,464
Pavilion/Assisted Living	\$0	\$0	\$64,062	\$17,895	\$124,170	\$206,127	\$94,261	\$300,388	\$0	\$0	\$0	\$300,388
Outside Service	\$0	\$0	\$0	\$0	\$0	\$0	\$12,670	\$12,670	\$0	\$0	\$0	\$12,670
Clinic	\$0	\$0	\$6,093	\$0	\$0	\$6,093	\$0	\$6,093	\$0	\$0	\$88,888	\$94,981
Home Care	\$0	\$0	\$77,757	\$58,398	\$0	\$131,152	\$24,813	\$155,965	\$0	\$0	\$200,408	\$356,373
Home Health	\$0	\$0	\$0	\$0	\$0	\$0	\$109,225	\$109,225	\$0	\$0	\$0	\$109,225
Hospice	\$0	\$0	\$0	\$0	\$0	\$0	\$19,925	\$19,925	\$0	\$0	\$0	\$19,925
Resident Services	\$0	\$0	\$4,607	\$11,359	\$4,795	\$20,761	\$16,126	\$36,887	\$0	\$0	\$0	\$36,887
Transportation	\$0	\$0	\$11,561	\$2,541	\$0	\$14,101	\$4,255	\$18,356	\$0	\$0	\$112,362	\$130,719
Dietary	\$0	\$0	\$242,201	\$172,849	\$279,638	\$694,688	\$116,517	\$811,005	\$0	\$0	\$0	\$811,005
Life Enrichment	\$0	\$0	\$10,348	\$0	\$0	\$10,348	\$0	\$10,348	\$0	\$0	\$0	\$10,348
Beauty Shop	\$0	\$0	\$0	\$2,088	\$0	\$2,088	\$3,762	\$5,849	\$0	\$0	\$0	\$5,849
Day Care	\$11,301	\$0	\$0	\$0	\$0	\$11,301	\$0	\$11,301	\$0	\$0	\$0	\$11,301
<b>General and Administrative:</b>												
Administration	\$571,932	\$7,251	\$61,230	\$35,266	\$52,935	\$528,613	\$51,218	\$579,832	\$20,920	\$0	\$152,710	\$733,462
Health Plan Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,110	\$46,110
Marketing	\$0	\$0	\$42,390	\$48,284	\$5,370	\$96,043	\$44,415	\$140,458	\$0	\$0	\$12,150	\$152,608
Management Fees	\$0	\$0	\$173,732	\$106,586	\$79,080	\$359,398	\$91,701	\$451,099	\$0	\$0	\$115,210	\$566,310
Building Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54,803	\$54,803
Depreciation	\$82,420	\$0	\$270,008	\$128,705	\$185,273	\$616,402	\$205,934	\$822,336	\$0	\$0	\$22,672	\$845,008
Amortization	\$0	\$1,507	\$3,383	\$958	\$3,727	\$9,575	\$10,599	\$20,173	\$0	\$0	\$0	\$20,173
Real Estate Taxes	\$901	\$1,201	\$0	\$0	\$22,774	\$24,876	\$32,581	\$87,257	\$0	\$0	\$0	\$57,257
Interest Expense	\$0	\$(31,338)	\$133,486	\$42,433	\$236,366	\$380,947	\$165,758	\$546,705	\$0	\$0	\$0	\$546,705
Insurance	\$12,499	\$519	\$42,054	\$27,675	\$28,866	\$111,612	\$19,830	\$131,442	\$0	\$0	\$13,618	\$145,060
Bad Debt	\$0	\$0	\$61,341	\$30,082	\$2,348	\$93,771	\$(109)	\$93,662	\$0	\$0	\$30,000	\$123,662
Other Operating Expenses	\$2,355	\$1,064	\$39,335	\$22,251	\$31,153	\$96,858	\$27,094	\$123,953	\$167	\$0	\$11,098	\$135,218
<b>Total Operating Expense</b>	\$684,292	\$(17,532)	\$2,881,096	\$1,694,477	\$2,024,629	\$7,286,952	\$1,775,917	\$9,062,869	\$27,696	\$0	\$2,721,877	\$11,792,402
<b>Profit (Loss) from Operations</b>	\$11,031	\$17,532	\$(189,734)	\$(91,049)	\$(5,155)	\$(295,375)	\$(231,204)	\$(486,579)	\$0	\$0	\$98,174	\$(416,061)
Contributions - Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,664	\$0	\$0	\$5,664
Contributions - Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Realized Gain(Loss) on Investments	\$216,228	\$4	\$0	\$0	\$0	\$216,232	\$6,069	\$222,301	\$29,360	\$(560)	\$29,405	\$281,006
Change in Fair Value of Interest Rate Swap	\$0	\$633,266	\$955,396	\$242,757	\$609,456	\$2,440,867	\$0	\$2,440,867	\$0	\$0	\$0	\$2,440,867
Other Non-Operating Revenue/(Expense)	\$15,022	\$0	\$1,867	\$(516,896)	\$3,599	\$3,622	\$0	\$3,622	\$0	\$0	\$3,236	\$6,858
Unrealized Gain (Loss) on Investments	\$(1,218,758)	\$0	\$0	\$0	\$0	\$(1,218,758)	\$0	\$(1,218,758)	\$(279,648)	\$(863)	\$(201,341)	\$(1,701,230)
<b>Total Non-Operating Revenue (Expense)</b>	\$(987,506)	\$633,270	\$957,253	\$225,891	\$615,057	\$1,441,963	\$6,069	\$1,448,032	\$(244,625)	\$(923)	\$(189,299)	\$1,033,185
<b>Net Profit (Loss)</b>	\$(976,475)	\$650,802	\$767,519	\$134,842	\$609,902	\$1,186,588	\$(225,135)	\$961,454	\$(272,281)	\$(923)	\$(71,125)	\$617,124

### 3. EveryAge Cash Flow Statements

For the period ended October 31, 2024 (Unaudited)

EveryAge Cash Flow Statement  
For the period ended October 31, 2024

	Home Office	BellaAge	Abermethyl Laurels	Piedmont Crossing	Providence Place	North Carolina Total	Lake Prince Woods	EveryAge Obligated Group	EveryAge Foundation	EA Holding	PACE	EveryAge Consolidated Organization
<b>Operating Activities:</b>												
Change in Net Assets Without Donor Restriction	(\$976,477)	\$650,802	\$767,319	\$134,842	\$609,902	\$1,186,588	(\$223,135)	\$961,454	(\$272,281)	(\$923)	(\$71,125)	\$617,124
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities:</b>												
Net realized and unrealized gain on investments	\$1,002,330	(\$4)	\$0	\$0	\$0	\$1,002,326	(\$6,069)	\$996,457	\$230,288	\$923	\$169,789	\$1,417,457
Change in allowance for doubtful accounts	\$0	\$0	\$38,378	\$8,610	\$338,323	\$625,514	(\$399)	\$625,114	\$0	\$0	(\$12,186)	\$612,929
Depreciation	\$32,420	\$0	\$270,005	\$128,705	\$183,273	\$616,402	\$205,934	\$822,336	\$0	\$0	\$22,672	\$845,008
Amortization of deferred costs	\$0	\$1,507	\$3,383	\$958	\$3,727	\$9,575	\$9,024	\$18,599	\$0	\$0	\$0	\$18,599
Amortization of advance fees	\$0	\$0	(\$182,675)	(\$162,500)	\$0	(\$345,175)	(\$229,167)	(\$574,341)	\$0	\$0	\$0	(\$574,341)
Amortization of bond discounts	\$0	\$0	\$0	\$0	\$0	\$0	\$1,574	\$1,574	\$0	\$0	\$0	\$1,574
Amortization of bond premiums	\$0	\$0	(\$7,863)	(\$1,663)	(\$2,701)	(\$12,228)	(\$14,024)	(\$26,252)	\$0	\$0	\$0	(\$26,252)
Entrance fees received	\$0	\$0	\$239,350	\$606,170	\$0	\$865,720	\$215,346	\$1,081,066	\$0	\$0	\$0	\$1,081,066
Temporarily restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,424	\$2,424
Change in value of fund balances	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$11,278)	\$0	(\$10,000)	(\$21,278)
<b>(Increase) decrease in:</b>												
Accounts receivable(net)	\$0	\$0	\$203,875	(\$18,744)	(\$1,978,704)	(\$1,793,573)	\$157,202	(\$1,636,371)	\$0	\$0	(\$1,327)	(\$1,637,898)
Other receivables	\$7,071	\$290,973	(\$3,399)	\$143,021	(\$2,385)	\$435,080	(\$17,733)	\$417,326	(\$2,343)	\$0	(\$8,202)	\$406,779
Prepays	(\$383,019)	\$747	\$2,362	(\$6,761)	(\$41,211)	(\$427,683)	\$239	(\$427,444)	(\$3,429)	\$0	\$11,543	(\$421,331)
Other current assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Increase (decrease) in:</b>												
Accounts payable	\$100,372	\$108,133	(\$394,166)	\$58,458	\$700,416	\$573,213	\$24,063	\$597,275	(\$6,341)	\$0	(\$167,300)	\$423,635
Accrued expenses and other payables	\$182,653	\$1,150	\$191,376	\$314	\$374,303	\$949,796	\$33,945	\$1,003,741	\$3,245	\$0	\$91,786	\$1,098,772
Other Current Liabilities	\$17,841	\$8,056	\$51,194	\$9,806	\$297,168	\$384,066	\$156,143	\$540,209	\$0	\$0	(\$84,109)	\$456,100
Residents' personal funds liabilities	\$0	\$0	\$0	\$0	\$18,115	\$18,115	\$0	\$18,115	\$0	\$0	\$0	\$18,115
Security Deposits	\$0	\$3,172	\$0	\$0	\$16,935	\$22,107	\$0	\$22,107	\$0	\$0	\$0	\$22,107
Resident escrows	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,500)	(\$1,500)	\$0	\$0	\$0	(\$1,500)
Intercompany	(\$249,268)	(\$179,514)	(\$13,449)	(\$340,503)	\$607,824	(\$174,910)	(\$39,414)	(\$234,324)	\$24,279	\$0	\$22,758	\$17,712
<b>Net Cash provided by operating activities</b>	<b>(\$265,877)</b>	<b>\$887,023</b>	<b>\$1,206,290</b>	<b>\$360,711</b>	<b>\$1,346,986</b>	<b>\$3,935,132</b>	<b>\$270,007</b>	<b>\$4,205,139</b>	<b>(\$19,862)</b>	<b>\$0</b>	<b>\$171,521</b>	<b>\$4,356,799</b>
<b>Cash flows from investing activities:</b>												
Change of assets limited as to use	\$283,086	\$0	\$0	\$0	(\$2,380,987)	(\$2,097,902)	(\$227,101)	(\$2,325,003)	\$21,934	\$0	\$323	(\$2,302,747)
Advances from related parties, net	(\$63,300)	\$0	\$0	\$0	\$0	(\$63,300)	\$0	(\$63,300)	\$0	\$0	\$0	(\$63,300)
Return of escrows related to acquisition	\$2,040,753	\$0	\$0	\$0	\$0	\$2,040,753	\$0	\$2,040,753	\$0	\$0	\$0	\$2,040,753
Purchases of property and equipment	(\$41,769)	(\$1,648,440)	(\$33,076)	(\$132,809)	(\$43,866,393)	(\$45,762,687)	(\$34,806)	(\$45,797,493)	\$0	\$0	(\$82,444)	(\$45,879,936)
<b>Net cash used by investing activities</b>	<b>\$2,218,769</b>	<b>(\$1,648,440)</b>	<b>(\$33,076)</b>	<b>(\$132,809)</b>	<b>(\$46,247,581)</b>	<b>(\$45,883,136)</b>	<b>(\$261,907)</b>	<b>(\$46,145,043)</b>	<b>\$21,934</b>	<b>\$0</b>	<b>(\$82,121)</b>	<b>(\$46,205,230)</b>
<b>Cash flows from financing activities</b>												0
Entrance fees refunded	\$0	\$0	(\$161,868)	(\$40,507)	\$0	(\$202,375)	(\$7,734)	(\$210,129)	\$0	\$0	\$0	(\$210,129)
Deposits on advanced fees	\$0	\$0	\$0	(\$94,897)	\$0	(\$94,897)	\$164	(\$94,733)	\$0	\$0	\$0	(\$94,733)
Interest Rate Swap	\$0	(\$633,266)	(\$955,386)	(\$242,737)	(\$609,458)	(\$2,440,867)	\$0	(\$2,440,867)	\$0	\$0	\$0	(\$2,440,867)
Debt Issuance Costs	\$227,265	\$0	\$0	\$0	(\$1,341,625)	(\$1,114,360)	\$0	(\$1,114,360)	\$0	\$0	\$0	(\$1,114,360)
Bond Premiums	\$0	\$0	\$0	\$0	\$682,238	\$682,238	\$0	\$682,238	\$0	\$0	\$0	\$682,238
New debt / leases	\$0	\$1,399,639	\$0	\$0	\$48,710,000	\$50,109,659	\$7,023	\$50,116,684	\$0	\$0	\$458,300	\$50,574,985
Principal payments of long-term debt / leases	\$0	\$0	(\$33,960)	(\$14,040)	\$0	(\$50,000)	\$0	(\$50,000)	\$0	\$0	\$0	(\$50,000)
<b>Net cash used by financing activities</b>	<b>\$227,265</b>	<b>\$766,393</b>	<b>(\$1,153,214)</b>	<b>(\$392,201)</b>	<b>\$47,441,156</b>	<b>\$46,889,399</b>	<b>(\$365)</b>	<b>\$46,888,834</b>	<b>\$0</b>	<b>\$0</b>	<b>\$458,300</b>	<b>\$47,347,134</b>
<b>Net increase(decrease) in cash &amp; cash equivalents</b>	<b>\$2,180,157</b>	<b>\$4,976</b>	<b>\$0</b>	<b>\$15,701</b>	<b>\$2,740,561</b>	<b>\$4,941,395</b>	<b>\$7,535</b>	<b>\$4,948,930</b>	<b>\$2,072</b>	<b>\$0</b>	<b>\$547,701</b>	<b>\$5,498,703</b>



#### 4. Providence Place Balance Sheet (Side by Side)

For the period ended October 31, 2024 (Unaudited)

Providence Place Balance Sheet (Side by Side)  
For the period ended October 31, 2024

	Providence Place (SN,AL,IL)	PPRC Pavilion	PPRC Hall	Providence Place Consolidated
<b>Assets</b>				
<b>Current Assets:</b>	\$2,660,951	\$79,609	\$0	\$2,740,561
Cash & Cash Equivalents	\$1,959,104	\$19,600	\$0	\$1,978,704
Accounts Receivable	(\$558,525)	\$0	\$0	(\$558,525)
Less: Allow Doubtful Accounts	\$2,585	\$0	\$0	\$2,585
Other Accounts Receivable	\$0	\$9,540	\$31,670	\$41,211
<b>Total Current Assets</b>	<b>\$4,064,115</b>	<b>\$108,750</b>	<b>\$31,670</b>	<b>\$4,204,536</b>
<b>Non-Current Assets:</b>				
Resident Funds	\$18,115	\$0	\$0	\$18,115
Debt Service Reserves	\$2,362,873	\$0	\$0	\$2,362,873
<b>Assets Limited as to Use</b>	<b>\$2,380,987</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,380,987</b>
Fair Value of Interest Rate Swaps	\$188,634	\$92,538	\$74,742	\$355,914
Property, Plant & Equipment Gross	\$33,996,224	\$5,618,757	\$4,494,596	\$44,109,576
Less: Accumulated Depreciation	(\$151,875)	(\$20,717)	(\$12,682)	(\$185,273)
<b>Net Property, Plant &amp; Equipment</b>	<b>\$33,844,349</b>	<b>\$5,598,040</b>	<b>\$4,481,914</b>	<b>\$43,924,304</b>
<b>Total Non-current Assets</b>	<b>\$36,413,971</b>	<b>\$5,690,578</b>	<b>\$4,556,656</b>	<b>\$46,661,205</b>
<b>Total Assets</b>	<b>\$40,478,087</b>	<b>\$5,799,327</b>	<b>\$4,588,327</b>	<b>\$50,865,741</b>
<b>Liabilities and Net Assets</b>				
<b>Current Liabilities:</b>				
Current Portion of Long-term Debt	\$781,039	\$74,095	\$59,846	\$914,980
Accounts Payable	\$697,221	\$252	\$2,942	\$700,416
Wages/Taxes/Withholding Payable	\$569,281	\$5,022	\$0	\$574,303
Resident Funds Liability	\$18,115	\$0	\$0	\$18,115
Security Deposits	\$2,000	\$14,935	\$0	\$16,935
Due to Affiliates	\$1,469,253	(\$331,361)	(\$287,086)	\$850,806
Other Current Liabilities	\$232,351	\$35,856	\$28,961	\$297,168
<b>Total Current Liabilities</b>	<b>\$3,769,260</b>	<b>(\$201,201)</b>	<b>(\$195,337)</b>	<b>\$3,372,723</b>
<b>Non-current Liabilities:</b>				
Long Term Debt, Less Current Portion	\$36,461,893	\$5,905,190	\$4,769,577	\$47,136,660
<b>Total Non-current Liabilities</b>	<b>\$36,461,893</b>	<b>\$5,905,190</b>	<b>\$4,769,577</b>	<b>\$47,136,660</b>
<b>Total Liabilities</b>	<b>\$40,231,153</b>	<b>\$5,703,990</b>	<b>\$4,574,240</b>	<b>\$50,509,383</b>
<b>Net Assets:</b>				
With Donor Restrictions	\$0	\$0	\$0	\$0
Without Donor Restrictions:				
Retained Earnings-Prior Year	(\$134,378)	(\$65,921)	(\$53,244)	(\$253,544)
Retained Earnings-Current Year	\$381,312	\$161,259	\$67,331	\$609,902
<b>Total Net Assets</b>	<b>\$246,934</b>	<b>\$95,338</b>	<b>\$14,087</b>	<b>\$356,358</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$40,478,087</b>	<b>\$5,799,327</b>	<b>\$4,588,327</b>	<b>\$50,865,741</b>

## 5. Providence Place Profit and Loss (YTD)

For the period ended October 31, 2024 (Unaudited)

Providence Place Profit and Loss (YTD)

For the period ended October 31, 2024

	Providence Place (SN,AL,IL)	PPRC Pavilion	PPRC Hall	Providence Place Consolidated
<b>OPERATING REVENUES:</b>				
Health Care	\$1,337,945	\$0	\$0	\$1,337,945
Rental	\$0	\$70,344	\$0	\$70,344
Pavilion/Assisted Living	\$382,057	\$0	\$0	\$382,057
Residential Living	\$228,185	\$0	\$0	\$228,185
Net Service Revenue	\$1,948,187	\$70,344	\$0	\$2,018,531
Other Operating Revenue	\$2,942	\$0	\$0	\$2,942
<b>Total Operating Revenue</b>	<b>\$1,951,129</b>	<b>\$70,344</b>	<b>\$0</b>	<b>\$2,021,474</b>
<b>OPERATING EXPENSES:</b>				
Health Care	\$590,948	\$0	\$0	\$590,948
Medical Records	\$3,421	\$0	\$0	\$3,421
Personnel	\$206,561	\$0	\$0	\$206,561
Laundry	\$423	\$0	\$0	\$423
Social Services	\$16,967	\$0	\$0	\$16,967
Activities	\$12,861	\$0	\$0	\$12,861
Housekeeping	\$64,615	\$0	\$0	\$64,615
Plant Maintenance	\$71,573	\$374	\$0	\$71,947
Staff Development	\$392	\$0	\$0	\$392
Pavilion/Assisted Living	\$124,170	\$0	\$0	\$124,170
Resident Services	\$4,795	\$0	\$0	\$4,795
Dietary	\$279,638	\$0	\$0	\$279,638
<b>General and Administrative:</b>				
Administrative	\$52,935	\$0	\$0	\$52,935
Marketing	\$5,370	\$0	\$0	\$5,370
Management Fees	\$79,080	\$0	\$0	\$79,080
Depreciation	\$151,875	\$20,717	\$12,682	\$185,273
Amortization	\$3,199	\$292	\$236	\$3,727
Real Estate Taxes	\$2,169	\$4,770	\$15,835	\$22,774
Interest Expense	\$171,549	\$35,856	\$28,961	\$236,366
Insurance	\$20,667	\$5,256	\$2,942	\$28,866
Bad Debt	\$2,348	\$0	\$0	\$2,348
Other Operating Expenses	\$30,874	\$279	\$0	\$31,153
<b>Total Operating Expense</b>	<b>\$1,896,429</b>	<b>\$67,544</b>	<b>\$60,655</b>	<b>\$2,024,629</b>
<b>Profit (Loss) from Operations</b>	<b>\$54,700</b>	<b>\$2,800</b>	<b>(\$60,655)</b>	<b>(\$3,155)</b>
Change in Fair Value of Interest Rate Swap	\$323,013	\$158,459	\$127,986	\$609,458
Other Non-operating Revenue/(Expense)	\$3,599	\$0	\$0	\$3,599
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$326,612</b>	<b>\$158,459</b>	<b>\$127,986</b>	<b>\$613,057</b>
<b>Net Profit (Loss)</b>	<b>\$381,312</b>	<b>\$161,259</b>	<b>\$67,331</b>	<b>\$609,902</b>

## 6. Providence Place Cash Flow Statement (Side by Side)

For the period ended October 31, 2024 (Unaudited)

Providence Place Cash Flow Statement  
For the period ended October 31, 2024

	Providence Place (SN,AL,IL)	PPRC Pavilion	PPRC Hall	Providence Place Consolidated
<b>Operating Activities:</b>				
Change in Net Assets Without Donor Restrictions	\$381,312	\$161,259	\$67,331	\$609,902
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities:</b>				
Change in allowance for doubtful accounts	\$558,525	\$0	\$0	\$558,525
Depreciation	\$151,875	\$20,717	\$12,682	\$185,273
Amortization of deferred costs	\$3,199	\$292	\$236	\$3,727
Amortization of bond premiums	(\$2,701)	\$0	\$0	(\$2,701)
<b>(Increase) decrease in:</b>				
Accounts receivable(net)	(\$1,959,104)	(\$19,600)	\$0	(\$1,978,704)
Other receivables	(\$2,585)	\$0	\$0	(\$2,585)
Prepays	\$0	(\$9,540)	(\$31,670)	(\$41,211)
<b>Increase (decrease) in:</b>				
Accounts payable	\$697,221	\$252	\$2,942	\$700,416
Accrued expenses and other payables	\$569,281	\$5,022	\$0	\$574,303
Other Current Liabilities	\$232,351	\$35,856	\$28,961	\$297,168
Residents' personal funds liabilities	\$18,115	\$0	\$0	\$18,115
Security Deposits	\$2,000	\$14,935	\$0	\$16,935
Intercompany	\$1,226,270	(\$331,361)	(\$287,086)	\$607,824
<b>Net Cash provided by operating activities</b>	<b>\$1,875,759</b>	<b>(\$122,168)</b>	<b>(\$206,605)</b>	<b>\$1,546,986</b>
<b>Cash flows from investing activities:</b>				
Change of assets limited as to use	(\$2,380,987)	\$0	\$0	(\$2,380,987)
Purchases of property and equipment	(\$33,753,241)	(\$5,618,757)	(\$4,494,596)	(\$43,866,593)
<b>Net cash used by investing activities</b>	<b>(\$36,134,228)</b>	<b>(\$5,618,757)</b>	<b>(\$4,494,596)</b>	<b>(\$46,247,581)</b>
<b>Cash flows from financing activities</b>				
Interest Rate Swap	(\$323,013)	(\$158,459)	(\$127,986)	(\$609,458)
Debt Issuance Costs	(\$1,151,805)	(\$105,007)	(\$84,813)	(\$1,341,624)
Bond Premiums	\$682,238	\$0	\$0	\$682,238
New debt / leases	\$37,712,000	\$6,084,000	\$4,914,000	\$48,710,000
Principal payments of long-term debt / leases	\$0	\$0	\$0	\$0
<b>Net cash used by financing activities</b>	<b>\$36,919,421</b>	<b>\$5,820,534</b>	<b>\$4,701,201</b>	<b>\$47,441,156</b>
<b>Net increase(decrease) in cash &amp; cash equivalents</b>	<b>\$2,660,951</b>	<b>\$79,609</b>	<b>\$0</b>	<b>\$2,740,561</b>

## 7. EveryAge Consolidated Organization Profit and Loss Statement (Fiscal Year 2025 Operating and Capital Budgets)

EveryAge Consolidated Organization  
Operating and Capital Budgets  
For Fiscal Year 2025

OPERATING BUDGET	Home Office	BellaAge	Abernethy Laurels	Piedmont Crossing	Providence Place	North Carolina Total	Lake Prince Woods	EveryAge Obligated Group	EveryAge Foundation	EA Holding	PACE	Eliminations	EveryAge Consolidated Organization
<b>OPERATING REVENUES:</b>													
Health Care			20,680,786	10,980,284	16,250,348	47,911,418	4,598,716	52,510,134					52,510,134
Home Care			808,821	771,768		1,580,589	433,153	2,013,742					2,013,742
Home Health							1,476,468	1,476,468					1,476,468
Adult Day											882,671		882,671
Hospice							681,349	681,349					681,349
Outside Service							147,409	147,409					147,409
Rental		657,281			852,334	1,509,615		1,509,615					1,509,615
Capitation Revenue											35,280,251		35,280,251
Pavilion/Assisted Living			1,124,287	685,821	4,686,122	6,496,230	3,290,771	9,787,001			0		9,787,001
Residential Living			6,701,654	5,191,002	2,777,717	14,670,373	5,939,837	20,610,210					20,610,210
<b>Net Service Revenue</b>	<b>0</b>	<b>657,281</b>	<b>29,315,548</b>	<b>17,628,875</b>	<b>24,566,521</b>	<b>72,168,225</b>	<b>16,587,768</b>	<b>86,755,928</b>	<b>0</b>	<b>0</b>	<b>36,162,932</b>	<b>0</b>	<b>124,918,850</b>
Amortization of Advance Fees			2,192,094	1,950,000		4,142,094	2,750,000	6,892,094					6,892,094
Other Operating Revenue	8,848,706	212,457	108,766	9,938	9,938	9,179,867	182,100	9,361,967			35,280	(8,287,595)	1,109,652
<b>Total Operating Revenue</b>	<b>8,848,706</b>	<b>657,281</b>	<b>31,720,899</b>	<b>19,687,641</b>	<b>24,576,459</b>	<b>85,490,186</b>	<b>19,518,803</b>	<b>105,000,989</b>	<b>0</b>	<b>0</b>	<b>36,198,202</b>	<b>(8,287,595)</b>	<b>132,920,596</b>
<b>OPERATING EXPENSES:</b>													
Health Care			8,423,586	5,387,865	6,983,320	20,804,771	2,391,491	28,196,262					28,196,262
Primary Care											931,014		931,014
Restorative Therapy											952,009		952,009
Outpatient Services											2,058,920		2,058,920
Inpatient Services											7,932,279		7,932,279
Cancer Support											993,460		993,460
Recreational Therapy											322,796		322,796
Pharmacy											6,059,834	(705,605)	5,354,229
Nutrition											644,579		644,579
Medical Records			80,567	47,378	41,743	169,688	45,634	215,322					215,322
Personnel	2,395,307	41,778	4,982,132	3,307,394	3,397,730	14,124,371	2,302,015	16,426,386	91,844		4,135,072		20,653,402
Laundry			191,001	154,433	200,258	525,692	75,036	600,728					600,728
Social Services			156,197	137,215	88,150	381,562	64,337	445,899			614,778		1,060,677
Activities		40,196	319,622	127,637	250,577	738,032	149,903	887,935					887,935
Spiritual Life			66,804	71,276	67,980	206,060	77,625	283,685			61,693		345,378
Housekeeping			889,611	485,393	698,661	2,073,665	370,034	2,443,699			177,337		2,621,036
Plant Maintenance		216,950	2,325,133	1,686,305	1,957,566	6,185,956	1,872,293	8,058,249					8,570,214
Staff Development			113,811	30,200	72,100	216,111	98,519	314,630					314,630
Residential Living						10,000		10,000					10,000
Pavilion/Assisted Living			663,902	242,621	1,021,131	1,927,654	1,140,156	3,067,810					3,067,810
Outside Service													109,357
Clinic			92,083	22,000	53,017	167,100		167,100			992,298		1,159,398
Home Care			655,145	605,254		1,260,399	331,852	1,592,251			2,119,751		3,712,002
Home Health								1,251,060					1,251,060
Hospice								504,163					504,163
Resident Services			57,143	161,714	58,140	276,997	172,957	449,954					449,954
Transportation			104,151	35,043	17,469	156,663	36,088	192,751			1,620,497		1,813,248
Dietary			2,080,563	1,874,007	2,134,366	6,688,936	1,272,956	7,961,892					7,961,892
Life Enrichment			164,205		53,210	217,415		217,415					217,415
Beauty Shop				25,000		25,000	35,000	60,000					60,000
Day Care		321,947				321,947		321,947					321,947
<b>General and Administrative:</b>													
Administration	5,178,070	186,181	848,831	578,469	637,120	7,436,671	669,183	8,107,854	285,750		1,780,783		10,174,387
Health Plan Operations											780,067		780,067
Marketing			385,917	408,000	255,909	1,048,856	394,721	1,444,577					1,823,751
Management Fees		26,291	2,061,806	1,279,697	948,965	4,316,759	1,100,374	5,417,133			1,507,219	(6,924,352)	0
Building Lease						0		0			657,638	(657,638)	0
Depreciation	466,820	516,250	3,421,093	1,799,654	2,223,272	8,427,069	2,564,344	10,991,433			441,122		11,432,555
Amortization		18,084	39,169	10,822	46,571	114,646	127,182	241,828					241,828
Real Estate Taxes	7,625					248,623	256,348	470,000					726,248
Insurance Expense		1,006,793	1,720,950	394,220	2,325,796	5,447,759	1,174,494	6,622,243			308,188		6,925,431
Insurance	164,212	37,289	538,511	360,300	354,968	1,455,280	276,529	1,731,809			276,535		2,008,344
Bad Debt			117,262	70,516	255,000	442,778	25,364	468,142			140,406		608,548
Other Operating Expenses	45,262	13,051	440,285	245,272	262,084	1,005,934	264,175	1,270,105	741				1,271,039
<b>Total Operating Expenses</b>	<b>8,579,273</b>	<b>2,112,843</b>	<b>31,539,490</b>	<b>19,537,685</b>	<b>24,663,758</b>	<b>86,433,039</b>	<b>19,366,832</b>	<b>105,799,871</b>	<b>378,435</b>	<b>0</b>	<b>36,490,603</b>	<b>(8,287,595)</b>	<b>134,381,314</b>
<b>Profit (Loss) from Operations</b>	<b>269,433</b>	<b>(1,455,562)</b>	<b>180,619</b>	<b>149,956</b>	<b>(87,299)</b>	<b>(87,299)</b>	<b>152,971</b>	<b>(789,882)</b>	<b>(378,435)</b>	<b>0</b>	<b>(292,401)</b>	<b>0</b>	<b>(1,460,719)</b>
Contributions - Revenue			125,000			125,000		125,000			210,000		335,000
Contributions - Expense	(208,398)					(208,398)		(208,398)					(208,398)
Realized Gain/(Loss) on Investments	3,220,000	5,000				3,225,000		3,225,000	579,427	7,427	120,000		3,941,854
Other Non-Operating Rev/(Exp)	15,000		58,500	47,500		121,000		121,000					121,000
<b>Total Non-Operating Revenue (Expense)</b>	<b>3,036,602</b>	<b>5,000</b>	<b>183,500</b>	<b>47,500</b>	<b>0</b>	<b>3,272,602</b>	<b>0</b>	<b>3,272,602</b>	<b>789,427</b>	<b>7,427</b>	<b>120,000</b>	<b>0</b>	<b>4,189,056</b>
<b>Net Profit (Loss)</b>	<b>3,306,035</b>	<b>(1,450,562)</b>	<b>364,119</b>	<b>197,456</b>	<b>(87,299)</b>	<b>(87,299)</b>	<b>152,971</b>	<b>2,482,720</b>	<b>410,992</b>	<b>7,427</b>	<b>(172,401)</b>	<b>0</b>	<b>2,729,738</b>
<b>CAPITAL BUDGET</b>	<b>444,000</b>	<b>-</b>	<b>1,674,458</b>	<b>1,215,512</b>	<b>-</b>	<b>3,333,970</b>	<b>1,394,636</b>	<b>4,728,606</b>	<b>-</b>	<b>-</b>	<b>890,481</b>	<b>-</b>	<b>5,619,087</b>



## 8. Providence Place, LLC (Fiscal Year 2025 Budget)

EveryAge  
 Providence Place Consolidated  
 Summary P&L  
 FY2025 Budget

	Providence Place	PPRC Pavilion	PPRC Hall	FY2025 BUDGET
<b>OPERATING REVENUES</b>				
Total Health Care Revenue	\$16,250,348	\$0	\$0	\$16,250,348
Total Pavilion/AL Revenues	\$4,686,122	\$0	\$0	\$4,686,122
Total ILU Service Revenue	\$2,777,717	\$0	\$0	\$2,777,717
Total Rental Revenue	\$0	\$852,334	\$0	\$852,334
<b>Net Service Revenue</b>	<b>\$23,714,187</b>	<b>\$852,334</b>	<b>\$0</b>	<b>\$24,566,521</b>
Other Operating Revenue	\$9,938	\$0	\$0	\$9,938
<b>Total Center Operating Revenue</b>	<b>\$23,724,125</b>	<b>\$852,334</b>	<b>\$0</b>	<b>\$24,576,459</b>
<b>OPERATING EXPENSES:</b>				
Health Care Expenses	\$6,983,321	\$0	\$0	\$6,983,321
Medical Records	\$41,743	\$0	\$0	\$41,743
Human Resources	\$3,397,730	\$0	\$0	\$3,397,730
Laundry Expenses	\$200,258	\$0	\$0	\$200,258
Social Services Expenses	\$88,150	\$0	\$0	\$88,150
Activities Expenses	\$250,577	\$0	\$0	\$250,577
Spiritual Life Expenses	\$67,980	\$0	\$0	\$67,980
Housekeeping Expenses	\$695,677	\$2,686	\$298	\$698,661
Plant Maintenance Expenses	\$1,700,883	\$231,016	\$25,668	\$1,957,567
Staff Development Expenses	\$72,100	\$0	\$0	\$72,100
Independent Living Expenses	\$10,000	\$0	\$0	\$10,000
Pavilion/Assisted Living Expenses	\$1,021,131	\$0	\$0	\$1,021,131
Clinic Expenses	\$53,017	\$0	\$0	\$53,017
Resident Services	\$58,140	\$0	\$0	\$58,140
Transportation Expenses	\$17,469	\$0	\$0	\$17,469
Administration Expenses	\$603,027	\$17,047	\$0	\$620,074
Marketing Expenses	\$255,939	\$0	\$0	\$255,939
Dietary Expenses	\$2,134,366	\$0	\$0	\$2,134,366
Life Enrichment	\$53,210	\$0	\$0	\$53,210
<b>Total Tenant/Resident Services Expenses</b>	<b>\$17,704,718</b>	<b>\$250,749</b>	<b>\$25,966</b>	<b>\$17,981,433</b>
Management Fees	\$948,965	\$17,047	\$0	\$966,012
Depreciation Expense	\$1,822,495	\$248,599	\$152,178	\$2,223,272
Amortization Expense	\$37,293	\$5,132	\$4,146	\$46,571
Real Estate Tax	\$0	\$57,556	\$191,067	\$248,623
Interest Expense	\$1,740,572	\$323,620	\$261,605	\$2,325,797
Insurance	\$249,133	\$67,852	\$37,983	\$354,968
Bad Debts	\$250,000	\$5,000	\$0	\$255,000
<b>Total Operating Center Expenses</b>	<b>\$22,753,176</b>	<b>\$975,555</b>	<b>\$672,945</b>	<b>\$24,401,676</b>
<b>Operating Center Profit(Loss)</b>	<b>\$970,949</b>	<b>(\$123,221)</b>	<b>(\$672,945)</b>	<b>\$174,784</b>
Other Operating Expenses	\$262,084	\$0	\$0	\$262,084
<b>Profit(Loss) from Operations</b>	<b>\$708,865</b>	<b>(\$123,221)</b>	<b>(\$672,945)</b>	<b>(\$87,300)</b>
Change in Fair Value of Interest Rate Swap	\$0	\$0	\$0	\$0
Other Non-Operating Rev/(Exp)	\$0	\$0	\$0	\$0
<b>Total Non-Operating Revenue/(Expense)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Assets Provided (Used)</b>	<b>\$708,865</b>	<b>(\$123,221)</b>	<b>(\$672,945)</b>	<b>(\$87,300)</b>



Providence Place Consolidated Simple Cash Flow Statement Budget Fiscal Year 2025				
	Providence	PPRC	PPRC	
	Place	Pavilion	Hall	Total
Net Income/(Loss)	\$ 708,865	\$ (123,221)	\$ (672,945)	\$ (87,300)
Depreciation Expense	\$ 1,822,495	\$ 248,599	\$ 152,178	\$ 2,223,272
Amortization Expense	\$ 37,293	\$ 5,132	\$ 4,146	\$ 46,571
Net cash provided by operating activities	\$ 2,568,653	\$ 130,510	\$ (516,621)	\$ 2,182,543
Purchases of property and equipment	\$ (500,000)	\$ (250,000)	\$ (250,000)	\$ (1,000,000)
Cash flow from investing activities	\$ (500,000)	\$ (250,000)	\$ (250,000)	\$ (1,000,000)
Principal Payments on Debt	\$ (781,039)	\$ (74,095)	\$ (59,846)	\$ (914,980)
Cash flow from financing activities	\$ (781,039)	\$ (74,095)	\$ (59,846)	\$ (914,980)
Net Cash Flow	\$ 1,287,613	\$ (193,584)	\$ (826,466)	\$ 267,563

Providence Place Consolidated Long Term Debt Service Coverage Ratio Budget Fiscal Year 2025				
	Providence	PPRC	PPRC	
	Place	Pavilion	Hall	Total
Change in Unrestricted Net Assets	\$ 708,865	\$ (123,221)	\$ (672,945)	\$ (87,300)
Deduct				
Gain on interest rate swap	\$ -	\$ -	\$ -	\$ -
Unrealized gain on investments	\$ -	\$ -	\$ -	\$ -
Add:				
Interest expense	\$ 1,740,572	\$ 323,620	\$ 261,605	\$ 2,325,797
Depreciation	\$ 1,822,495	\$ 248,599	\$ 152,178	\$ 2,223,272
Amortization	\$ 37,293	\$ 5,132	\$ 4,146	\$ 46,571
Bad Debt Expense	\$ 250,000	\$ 5,000	\$ -	\$ 255,000
Income available for debt service	\$ 4,559,225	\$ 459,130	\$ (255,016)	\$ 4,763,340
Maximum annual debt service (Providence Place Only)				\$3,226,703
Long-term Debt Service Coverage Ratio				1.48