

Lake Prince Woods



EveryAge Senior Living™

FILED
Commonwealth of Virginia
State Corporation Commission
Bureau of Insurance
March 1, 2023
Commissioner of Insurance
BY: Natalya J. Greco

Disclosure Statement

March 1, 2023

This Disclosure Statement is provided in accordance with Title 38.2, Chapter 49 of the Code of Virginia. However, the filing thereof with the State Corporation Commission does not constitute approval, recommendation or endorsement of Lake Prince Center, Inc. by the State Corporation Commission.

- ◇ This disclosure statement is required by Virginia 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.

Lake Prince Center, Inc., d/b/a, Lake Prince Woods
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This Disclosure Statement is for a Continuing Care Retirement Community located in Suffolk, Virginia and known as Lake Prince Center, Inc.

Section I: **Continuing Care Provider**

Lake Prince Center, Inc. (herein referred to as “Lake Prince Woods”, the “Community” and/or the “Corporation”) is a not-for-profit Corporation chartered by the State of North Carolina. A Certificate of Authority to transact business in Virginia was issued to the Corporation by the State Corporation Commission on August 9, 1999. Lake Prince Center, Inc. is a wholly controlled subsidiary of EveryAge (f.k.a. United Church Homes and Services, a.k.a., UCHS”).

In connection with celebrating its 50th anniversary in August 2021, United Church Homes and Services announced its new name, EveryAge, with a promise of *“a new design, a new name, a new beginning. Same great mission.”* New logos and a new color scheme for branding were also announced.

The home offices of both Lake Prince Center, Inc. and EveryAge are located at One Hundred Leonard Avenue, Newton, Catawba County, North Carolina 28658. Lake Prince Center, Inc. also maintains administrative offices at 100 Anna Goode Way, Suffolk, Virginia 23434. A volunteer Board of Directors elected by the Board of EveryAge governs the Corporation. The current Lake Prince Center, Inc. Board members also serve as Board members of EveryAge. EveryAge and Lake Prince Center, Inc. are tax-exempt under Section 501(c)(3) of the Internal Revenue Code. If EveryAge and/or Lake Prince Center, Inc. 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 related to accommodations, amenities and applicable services provided to the Resident.

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 its Hospice Certification, effective April 21, 2022. Through EveryAge, Lake Prince Center, Inc. is an affiliate of the United Church of Christ. 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 immediate past Board Chairperson and the Chairpersons of the Advisory Councils for Lake Prince Woods, Piedmont Crossing, and Abernethy Laurels serve as full voting ex-officio members of the Board.

The Board of Directors of Lake Prince Center, Inc. is solely responsible for the governance of Lake Prince Woods. Lake Prince Center, Inc. is responsible for all its financial and contractual obligations. Lake Prince Center, Inc. contracts with EveryAge to provide management services to Lake Prince Center, Inc. and to employ Lake Prince Woods’ staff. EveryAge also owns and operates two continuing care retirement communities (CCRCs) – Abernethy Laurels, Newton, North Carolina, and Piedmont Crossing, Thomasville, North Carolina.

Neither the Southern Conference of the United Church of Christ nor any other unit of the United Church of Christ is responsible for the financial and/or contractual obligations of Lake Prince Woods, Abernethy Laurels, or Piedmont Crossing. EveryAge and Lake Prince Center, Inc. employ a President and Chief Executive Officer who is authorized by the Corporation to have full executive power to carry out policies and directives of the Board of Directors on a day-to-day basis. Each CCRC (Lake Prince Woods, Abernethy Laurels, and Piedmont Crossing) has an Executive Director employed and authorized to carry out the day-to-day operations of their respective campus.

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, Lake Prince Center, Inc. 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 necessary action, including assistance from law enforcement and emergency management agencies, to physically remove the resident from Lake Prince Woods and transport to another location. No waivers of responsibility will entitle a resident to remain at the Community following an order for emergency evacuation.

Mission Statement

Lake Prince Center, Inc. is 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

Section II

Officers, directors, trustees, management staff, and certain persons who hold equity or beneficial interest:

Lake Prince Center, Inc. is a non-stock, not-for-profit corporation governed by a Board of Directors that elects its own officers. EveryAge has a “beneficial interest” in the Corporation in as much as (1) the Corporation is a wholly controlled subsidiary of EveryAge; (2) the Corporation’s Board of Directors is elected by the Board of Directors of EveryAge for three-year terms; and (3) the Corporation is managed by EveryAge. No other entities have “beneficial interest” in the Corporation. Current members of the Lake Prince Center, Inc. Board of Directors are as follows:

EXECUTIVE COMMITTEE: Parker D. Howell, III, Chairperson
Brad Thie, Vice Chairperson
Gregory M. Alcorn, Secretary
Jeffrey S. Gilliam, Treasurer
Linda J. Morris, Past Board Chairperson

<u>BOARD MEMBERS</u>	<u>TELEPHONE NUMBER</u>	<u>TERM EXPIRES</u>
Parker D. Howell, III Post Office Box 2278 Suffolk, VA 23432	757.255.4721 757.620.9264 (M)	2023 3 rd Term Chairperson
Kelsey McCleave 3630 Enduring Freedom Drive Raleigh NC 27610	828.218.4285 919.642.6935 (B)	2023 3 rd Term
Anthony J. Branch 2737 NE 1 st Street Pompano Beach, FL 33062	704.467.5851 (C) 704.655.2343 (B)	2023 2 nd Term
Hunter March 908 West Washington Street Suffolk, VA 23434	757.934.0755	2023 2 nd Term
Lawrence Bolick 329 Summit Avenue, Apt. A Salisbury, NC 28144	828.612.8146	2023 1 st Term
Jeffrey S. Gilliam 3799 Love Road Claremont, NC 28610	704.682.8897 (M) 828.241.5152 (H)	2023 1 st Term Treasurer
Cory S. Tobin 3993 2B Clubhouse Court High Point, NC 27265	336.905.0203	2023 1 st Term
Brad Thie 53 Pineland Street Chapel Hill, NC 27516	828.234.3389 (M)	2024 3 rd Term Vice Chairperson

<u>BOARD MEMBERS</u>	<u>TELEPHONE NUMBER</u>	<u>TERM EXPIRES</u>
Vacancy		2024 Unexpired Term
Gregory M. Alcorn c/o GCS Agents 118-B South Main Street Salisbury, NC 28144	704.647.9621 (B) 704.232.2354 (M)	2024 1st Term
Gene Hamilton 201 7 th Street NE Conover, NC 28613	828.464.9330 (H)	2025 2 nd Term
Julius W. Abernethy, IV 3781 Dockside Lane Sherrills Ford, NC 28673	828.461.8701 (M)	2025 1 st Term
Margie Wiley 1889 Governor's Pointe Dr., Suite A Suffolk, VA 23436	757.529.2617 757.809.2130	2025 1 st Term
Shane L. Smith 999 Waterside Drive, Suite 1700 Norfolk, VA 23510-3303	757.629.0706 (B) 757.816.6653	2025 1 st Term

ADVISORY COUNCIL:

<u>Abernethy Laurels</u>	<u>Piedmont Crossing</u>	<u>Lake Prince Woods</u>
Kathy Tharpe 834 Iris Lane Newton, NC 28658 828.465.2222 (H) 828.320.4406 (M)	Terri Fisher 159 Myrtle Drive Thomasville, NC 27360 336.472.7217	Michelle Horton 907 Craig Drive Suffolk, VA 23434 757.319.1476 (W)

Ex-Officio By virtue of office: *Past Board Chairperson (voice and vote)*
Advisory Council Chairperson(s) (voice and vote)
Southern Conference Minister (voice, no vote)
President and CEO of EveryAge (voice, no vote)
Executive Assistant/Assistant Secretary of the Corporation (voice, no vote)

Linda J. Morris, Past Board Chairperson
201 Parkmont Drive
Greensboro, NC 27408
336.545.7866
336.541.2838 (M)

Edward Davis, Southern Conference Minister
Southern Conference – UCC
252-B West Fifth Street, Burlington, NC 27215
336.343.4066

Section III

Business experience and management information regarding acquisition of goods and services; criminal, civil and regulatory proceedings against the provider, officers, directors, trustees, managing and general partners; certain persons who hold equity or beneficial interests; the management profile

A. Lake Prince Woods is operated and managed by EveryAge. EveryAge has operated a Continuing Care Retirement Community in Newton, Catawba County, North Carolina since 1971, and in Thomasville, Davidson County, North Carolina since 1986. Following is a list of the business experience of the current senior staff members responsible for the day-to-day business of Lake Prince Center, Inc. and EveryAge. There is no "non-employee" management.

Home Office Administration

***Lee B. Syria* – President and Chief Executive Officer**

- ◆ Was named President and CEO of EveryAge, effective October 1, 2012.
- ◆ Previously served as Senior Vice President of Operations for EveryAge since July 2008 and worked as Interim President and CEO from February 28 through September 30, 2012.
- ◆ 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.
- ◆ 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 Personnel Manager of Abernethy Laurels (EveryAge) beginning June 1997
- ◆ 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.

***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 2004-2015.
- ◆ 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 the HR Certification Institute (HRCI) in 2004.
- ◆ Received the SHRM-SCP (Society Human Resources Management Senior Certified Professional) designation in January 2015.
- ◆ Earned a Bachelor of Science in Business Administration degree from LaSalle University.

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.

Kim Kilday – Chief Marketing and Public Relations Officer

- ◆ Has worked as Chief Marketing and Public Relations Officer at EveryAge since April 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 previously employed as NC West Region Sales and Marketing Consultant for Shoreline Healthcare Management from 2007-2008.
- ◆ Held positions within the non-profit healthcare and local governmental sectors prior to 2007.
- ◆ 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.

Michelle N. Roseman – Chief Quality and Compliance Officer

- ◆ Was 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 2007-2016.
- ◆ 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 1994-2007 and prior to promotion, served as Healthcare Administrator of the 174-bed Skilled Nursing Facility at Abernethy. Mrs. Roseman previously served as the Director of Social Services before obtaining her NHA license in the State of North Carolina.

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 January 2008.
- ◆ Was previously employed as Administrator of Lutheran Home in Winston-Salem, NC.
- ◆ Has been a licensed Nursing Home Administrator in the State of North Carolina since 2004.
- ◆ 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.

Community Administration

Judith 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.

No Board Member, Officer, Committee Member, or Employee has any ownership interest in the Corporation or in EveryAge.

The only known related party transactions will be by EveryAge providing management services to the Corporation and the Corporation reimbursing EveryAge for those services as is described in III. A (1) and (2). EveryAge has a beneficial interest in the Corporation as is disclosed in Section II of this Disclosure Statement, “Officers, Directors, Trustees, and persons who hold beneficial interest.” The specific services the Corporation receives from EveryAge through a management contract include, but are not limited to:

1. Act as owner's representative and chief liaison with architect and contractor during design and construction of major projects at the Community.

Manage and operate Community in compliance with all applicable Federal, State, and local laws, and in accordance with the Articles of Incorporation and Bylaws.

Recommend goals and policy initiatives to the Board of Directors.

Present reports on operations and financial performance to the Board of Directors on periodic basis.

Perform treasury functions, including billing residents for services provided, receiving income and accounting for same, paying staff, vendors, mortgage invoices, and managing investments.

Perform accounting functions including doing necessary bookkeeping for accounts receivable, accounts payable, payroll, general ledger, and preparation/publication of required financial statements.

Perform human resource and benefit administration functions, including hiring, training, promoting, encouraging, disciplining, and firing of employees according to the Corporation's human resources policies.

Perform marketing functions, including preparing marketing plan and budget, preparation of collateral materials, making presentations, and maintaining website.

Perform management functions, including planning, organizing, directing, supervising, coordinating, as well as preparing budget forecasts as required by the Board and government agencies, recommending policy, implementing approved policy with the Corporation's procedures, acting as liaison with government agencies, contractors, and the Corporation's various publics. The cost of providing these management services will be approximately six-and one-half percent (6.5%) of annual budgeted gross resident revenue generated by the Corporation. It is corporate policy that EveryAge provides management services for each project/Community it develops and/or owns.

2. The Corporation did not advertise nor seek any request for proposal to other firms to provide management services.

B. Neither the Corporation, EveryAge, nor any of their Officers or Board Members:

1. has been convicted of a felony or pleaded nolo contendere to a criminal charge, or been held liable or enjoined in a civil action by final judgment, if the crime or civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or moral turpitude; or
2. is subject to an injunctive or restrictive order of a court of record, or within the past five years had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or healthcare, including without limitation actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under Virginia law or similar laws in another state; or

3. is currently the subject of any state or federal prosecution, or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of property.

Section IV

Ownership of Real Property

Lake Prince Center, Inc. owns, in fee simple title, a 172-acre site in the City of Suffolk, Virginia, upon which it has developed a Continuing Care Retirement Community. The campus, with frontage on Kings Fork Road, east of Pruden Boulevard in Suffolk, Virginia, is approximately three miles from the center of downtown Suffolk. The Continuing Care Retirement Community is constructed on the property, with the buildings and land provided as collateral for the loans.

Section V

Location and Description of Real Property

The real property of Lake Prince Center, Inc. consists of 172-acres located on Kings Fork Road near highways 460 to Richmond, Virginia, and 58 and to the various cities of the Tidewater Area and is approximately three miles from the center of downtown Suffolk.

The Continuing Care Retirement Community consists of a Health Center, Assisted Living, and Residential Living Units. The Community was officially opened in November 2002.

The Health Center has forty (40) licensed nursing beds. The campus also offers fifty-two (52) licensed Assisted Living Units, of which there is a sixteen (16) bed Memory Care Unit for the care of residents with Alzheimer's and related dementia, and thirty-six (36) assisted living apartments.

The Residential Living Units are those units where residents arrange for their own assistance with activities of daily living. Currently, these units include fifty-five (55) single-family houses (cottages), thirty-five (35) villa homes, and ninety-two (92) apartment units.

There is adequate land available to permit the continued expansion of this campus, as the market demands. The master site development plan is designed for 123 additional Resident Living Units, with the expansion to be completed in separate phases of construction. Phase I construction was completed in 2009 and included twenty-eight (28) units. Phase II construction remains underway. As of September 2022, twenty-six (26) of the proposed thirty-three (33) units were complete with the seven (7) final units currently under construction. The additional units planned for the campus have been developed as there is sufficient market demand and are funded through a line of credit which is paid off using the proceeds of the first-generation residency fees.

Section VI

Affiliation with Religious, Charitable or Other Nonprofit Organizations; Tax Status of Provider

The Corporation is a wholly controlled subsidiary of EveryAge. The Corporation and EveryAge are responsible for bond-related indebtedness incurred by EveryAge or the Corporation.

Lake Prince Center, Inc. and EveryAge are affiliated with the Southern Conference of the United Church of Christ, 252-B West Fifth Street, Burlington, NC 27215. Boundaries of the Southern Conference include all of North Carolina and Eastern Virginia. The Southern Conference of the United Church of Christ is in no way responsible for the financial or contractual obligations of the Corporation or of EveryAge. Lake Prince Center, Inc. and EveryAge are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. If EveryAge and/or Lake Prince Center, Inc. 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 related to accommodations, amenities and applicable services provided to the Resident. Lake Prince Center, Inc. is a member of LeadingAge Virginia, LeadingAge, the Council for Health and Human Service Ministries of the United Church of Christ, and the Suffolk Chamber of Commerce.

Section VII

Services Provided Under Continuing Care Contract

The services provided at Lake Prince Woods are set forth in Section 4 of the “Residency Agreement.” (See Exhibits 1 and 2 – Residency Agreements)

Other Services on a Fee-for-Service Basis

1. Wellness Clinic:

The Wellness Clinic is available to all residential living residents and is staffed by health professionals. The Wellness Clinic is used for consultation, medication review, and outpatient treatments. The Wellness Clinic conducts screenings, vaccinations and tests for residents as needed.

2. Assisted Living:

Assisted Living provides help with routine activities of daily living such as bathing, personal hygiene, and medication administration. Staff is available on a twenty-four hour per-day basis. A distinct level of Assisted Living is also available to cater to and provide specific services for residents who may have signs or symptoms of dementia.

3. Nursing Care:

Long-term nursing and short-term rehabilitative services are available on campus. The Health Center has Medicare certified beds. Residents are cared for by licensed nursing professionals under the supervision of a Medical Director and licensed Administrator. On November 4, 2020, the State Health Commissioner approved the Lake Prince Center, Inc.’s request for a three-year open admission period. The open-admission period will end on October 15, 2023, unless an extension is applied for and granted by the State Health Commissioner.

4. Other Services:

Transportation, hair care, guest meals, etc., are available on a fee-for-service basis. Lake Prince At Home, LLC offers home care and home health services on a fee-for-service basis.

Section VIII

Fees Required of Residents

Residency Fee Deposits

In accordance with Virginia law, Residency Fees more than \$1,000 per person received prior to the Residential Living Unit being made available to the Resident for occupancy will be set aside in a fund controlled by an approved escrow agent. These funds remain the property of the prospective Resident until released to the Corporation. The funds in escrow shall not be subject to any liens, judgments, garnishments, or creditor's claims against the Corporation.

Interest earned from escrowed funds, less investment fees, accrues and is added to the Resident's deposit. If the Resident dies before occupying the unit, or is precluded through illness, injury or incapacity from becoming a resident under the terms of the continuing care contract, the contract is automatically rescinded and the Resident or their legal representative receives a full refund of all money paid to the provider, except those costs specifically incurred by the provider at the request of the Resident and set forth in writing in a separate addendum, and signed by both parties to the contract. The Resident has the right to rescind the Agreement, without penalty or forfeiture of any amount of money, within seven (7) days after making an initial deposit or executing the Agreement to occupy a unit. The Resident is not required to move into the Community designated in the contract before the expiration of the seven-day period.

The parties have a maximum period of ninety (90) days from the time of occupancy of a unit to withdraw from any agreement. In the case of such withdrawal, 90% of the Residency Fee for the Fully Declining Residency Agreement or the 50% Refundable Residency Agreement will be returned to the Resident.

In such case of withdrawal, costs specifically incurred by the Community, at the request of the Resident, set forth in writing, and signed by both parties to the Residency Agreement, will be deducted from the final refund balance to the Resident.

Residency Fee

The Resident is required to pay a Residency Fee (Entrance Fee) and a Monthly Fee based on the chosen Residential Living Unit. The Residency Fee for Fiscal Year 2023 Residential Living Units ranges currently from \$66,500 to \$674,250. These fees are paid at the time of occupancy and are refundable according to Section 3 of the Residency Agreement. The Resident is given a minimum of thirty (30) days advance notice of any change in fees, charges or the scope of care or services, except for changes required by the state or federal assistance programs. Usually changes in fees are effective October 1 of each year. *(See Exhibits 1 and 2 – Residency Agreements and Exhibit 5 Entrance Fee and Monthly Fee Schedule)*

Changes in Residency Fees due to marriage, changing units, or moving from one level of living to another, for any reason, are fully disclosed in Section 2 of the Residency Agreement.

A Residency Agreement is contracted with each resident at the time of admission. Upon termination of the Agreement, the Agreement provides for a refund of the Residency Fee, less those costs specifically incurred by the Community at the request of the Resident, set forth in writing in an addendum to the Residency Agreement, and signed by both parties to the Residency Agreement, on a declining basis set forth in an amortization schedule. Dependent upon the selected Residency Agreement, the Residency Fee will be either a minimum of 50% refundable or will decline to zero (*See Residency Agreement, refund schedule, Section 3*).

A life expectancy based on actuarial projections is used to amortize contracts. The refundable portion of the fee is recorded as a liability and refunded to the Resident in accordance with Section 3 of the Residency Agreement. (*See Exhibits 1– and 2 – Residency Agreements*). Residency Fees (*Entrance Fees*) as projected for Lake Prince Woods are calculated based on experience in existing Communities operated by EveryAge.

Monthly Fee

The Monthly Fee is due and payable at the beginning of each month. This fee helps underwrite administrative/programmatic costs and a variety of support services including some meals. It covers the cost of property insurance, except for the Resident's personal contents of the unit. The Resident is required to insure their own personal property. This fee also covers exterior maintenance on the unit and on all furnished appliances. (*See Section 4, Exhibits 1 and 2 – Residency Agreements*.)

A Monthly Fee Schedule is published annually. Changes usually take effect October 1 of each year and are adjusted based on changes in costs. (*See Exhibit 5 for Entrance Fee and Monthly Fee Schedule*)

Fee Schedule

A Fee Schedule is published annually to cover such items as transportation, extra meals and housekeeping and other services as posted. (*See Exhibit 6 - Fee Schedules*)

Section IX

Reserve Funding

The Residency Agreement offered by Lake Prince Center, Inc. provides a residential living unit to the Resident for as long as they are able to meet the residency requirements. The document is a "fee-for-service" agreement where, except for the upkeep and maintenance on the unit, the Resident pays for services as needed. This means that while healthcare is available to persons under the Residency Agreement, such care is paid for on a per diem basis. To assure that money is available when the Resident needs long-term healthcare, any refund due under the agreement is escrowed for payment of healthcare costs.

To protect the financial status of the Community and thus the security of all residents, those approved for admission are asked to have sufficient income and assets to pay for all necessary fees and still be able to continue in their present lifestyle. If the applicant has a long-term care insurance policy that covers nursing home care, this will be considered in determining financial eligibility. Such a policy may reduce the requirement of enough assets to pay for needed healthcare costs over the projected lifetime of the applicant.

A financial analysis is completed utilizing actuarial data. Marginal applicants will be reviewed for the possibility of other alternatives including other EveryAge campuses, other accommodations on the desired campus, and other options available for payment of fees.

Section X

Certified Financial Statements

Audited Financial Statements of Lake Prince Center, Inc. and EveryAge, (*See Exhibit 3*).

Section XI

Proforma Statement of Operations

Proforma Statement of Operations for Lake Prince Center, Inc. for the period ending 9/30/2022. The projections are accompanied by a listing of underlying assumptions. (*See Exhibit 4 Projected Statement of Activities and Change in Net Assets*)

Section XII

Admission of New Residents

Each individual's application for admission is reviewed through an admissions process giving attention to health needs, social interests, financial and age requirements. The financial statement is carefully reviewed to ensure that the expenses incurred by living at the Community would not place a financial hardship on the Resident or the Corporation. The applicant is notified of the decision regarding residency following the application review process. Depending upon the amount of time that has elapsed since initial acceptance and whether any rate changes have been implemented, an applicant's financial status may be reevaluated.

The following guidelines are used in making a decision regarding approval of an application for admission:

Health Insurance

The Resident will maintain eligible Medicare Coverage and one supplemental insurance policy or equivalent insurance coverage, which adequately covers hospital, medical and skilled nursing deductibles and copayments required of the primary insurance plan.

The Resident will be responsible for ensuring that the health insurance coverage does not lapse and, upon request, will provide Lake Prince Center, Inc. with evidence of such coverage. Should the health insurance coverage lapse, Lake Prince Center, Inc. may require the Resident to reapply for suitable coverage.

If the Resident is unable to obtain adequate new coverage, Lake Prince Center, Inc. will bill the Resident for any costs related to medical or other healthcare services that would have otherwise been covered by the health insurance coverage policy.

Lake Prince Center, Inc. reserves the right and sole discretion to eliminate and/or change its participation in all insurance plans.

Health Needs

An individual's health must be such that he/she can meet the requirements of residing in the Residential Living Unit that does not include any daily or other living services in the program for this level of living, such as those involving food preparation, housekeeping, medication administration, toileting, mobility, decision-making, shopping, financial management, bathing, dressing, grooming or hygiene. The individual must be able to meet the requirements listed above by himself/herself, or with the assistance of (1) aide, attendant, Lake Prince At Home, LLC services or other outside support service, which the individual arranges for and follows the Corporation's private duty policy (2) the provision of reasonable accommodations, and/or (3) a reasonable modification of the Residential Living Unit.

Social Interests

The individual's interests, temperament and outlook should be such that they will contribute to the Community and be able to live in harmonious relationship with the other residents. It is important to consider the ways the individual will benefit from a social setting provided in a retirement community and how other residents will benefit from the individual's presence in the community.

Financial Requirements

Applicants should have sufficient income and assets to pay for all necessary fees and still be able to continue in their present lifestyle. Expenses related to health conditions and any required support services are carefully considered. If the applicant has a long-term care insurance policy that covers nursing home care, this will be considered. A financial analysis is completed utilizing actuarial data. Marginal applicants will be reviewed for the possibility of other alternatives, including other EveryAge campuses, other units on the desired campus, and other options available for payment. If the Corporation is assessed sales or use tax on Monthly Fees, Daily Fees, and/or fees for other services, the Resident will be responsible for all such taxes.

Age Requirements

The age for admission is at least sixty-two (62) years. If application is for two individuals to occupy one living unit, at least one of the two individuals must be at least sixty-two (62) years of age.

Section XIII

Access to Facility by Non-Residents

Lake Prince Center, Inc. will not provide access to the Community's services to non-residents with the exception of (1) direct admission to the Health Center and/or Assisted Living Unit, including memory care, on a space available basis, in order to maintain a financially adequate level of operation (2) meals and overnight lodging to guests of residents or to prospective residents, and (3) services provided by Lake Prince At Home, LLC. The Community may, from time to time, make other services available to non-residents and will give the Resident adequate notice regarding the intent to offer such services.

Section XIV

Procedure for Resident to file a complaint or disclose a concern

Lake Prince Woods has an active Resident Association that encourages resident participation. This body acts as a channel for residents' concerns and suggestions to administration. In addition, the Executive Director of Lake Prince Woods and staff maintain an "open door" policy encouraging residents to meet with staff to discuss concerns and ideas for amicable resolution.

Each resident, upon admission, is provided with a copy of the **Residential Grievance Procedure**. A copy of this procedure is signed by the Resident, acknowledging that a copy of the procedure has been received and understood. A copy of this signed statement is kept in the Resident's personal file. *See Sample Form Below:*

Resident Grievance Form

Dear Resident:

Although the staff of Lake Prince Woods works hard to meet your needs, we recognize that there may be times you disagree with policies or feel your rights have been infringed upon. In such cases, you are encouraged to voice your concern in the following manner:

- 1) If you determine your concern is of a simple nature and can be resolved easily, share any relevant details with a staff person, who will assist you in resolving the issue as quickly as possible.
- 2) If you feel that a staff person cannot address your concern, you should share details with the Executive Director, who will discuss any grievance openly with you and make every effort to resolve the matter.
- 3) If your concern remains unresolved to your satisfaction, details should be submitted in writing to the Chief Operating Officer, One Hundred Leonard Avenue, Newton, NC 28658. The Chief Operating Officer will inform you of the decision and/or recommendation for resolution of the matter in question.
- 4) If, after taking the forgoing action you still feel your concerns have not been sufficiently addressed, you may submit your concern in writing to the President and CEO to discuss with the Board of Directors.

I, _____ on this _____ day of _____, 20____, have acknowledged and understand Lake Prince Woods' Resident Grievance Procedure.

Section XIV

Other Material Information

Management of the Corporation is of the opinion that there is no litigation or any proceedings of any nature pending or, to its knowledge, threatened against the Corporation, which if decided adversely to the Corporation, are reasonably expected to have a material adverse effect on the financial position of the Corporation.

Exhibit 1: Fully Declining Residential Living Unit Residency Agreement

Between

and

Lake Prince Center, Inc., d/b/a Lake Prince Woods
100 Anna Goode Way, Suffolk, VA 23434

Effective: March 1, 2023

Lake Prince Center, Inc., d.b.a.,
Lake Prince Woods
100 Anna Goode Way, Suffolk, Virginia 23434

Residential Living Residency Agreement

1. Basic Requirements

- (a) This Agreement is made this _____ day of _____, _____ by and between _____, hereinafter referred to as the “Resident,” and Lake Prince Center, Inc., d.b.a., Lake Prince Woods, a not-for-profit Corporation chartered by the State of North Carolina, hereinafter referred to as the “Corporation.” The Corporation is chartered to carry on ministry among aging persons within the bounds of the Southern Conference of the United Church of Christ. A Certificate of Authority to transact business in Virginia was issued to the Corporation by the State Corporation Commission August 9, 1999. Lake Prince Center, Inc. is a wholly controlled subsidiary of EveryAge. The Corporation’s facilities, located in Suffolk, Virginia, are sometimes referred to as the “Community.” This Residency Agreement is made between the Corporation and the Resident for occupancy of a _____ numbered _____, hereinafter referred to as the “Residential Living Unit,” located at the Community. This Residency Agreement is made binding with payment by the Resident of a Residency Fee in the amount of \$ _____ and a Monthly Fee.
- (b) If the Resident dies before occupying the unit, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, this Agreement is automatically rescinded and the Resident or Resident’s legal representative shall receive a full refund of all money paid under this Agreement, except those costs specifically incurred by the Community at the request of the Resident and set forth in writing in a separate addendum, and signed by both parties to this Agreement.
- (c) Notwithstanding any other provision of this Agreement, the Resident may rescind this Agreement without penalty or forfeiture, within seven (7) days after making an initial deposit or executing the contract. The Resident is not required to move into the Residential Living Unit before the expiration of this seven-day period.
- (d) During the first ninety (90) days of occupancy, the Resident will have the right to terminate this agreement by serving the Corporation with written notice of such termination. During the ninety-day period, the Corporation also has the right to terminate this Agreement based on its judgment regarding the Resident's ability to adjust to this lifestyle. Any money paid will be refunded in full, other than: 1) A ten percent (10%) reduction in the initial Residency Fee paid; 2) the Monthly Fee applicable to the period a Residential Living Unit was under contract or occupied by the Resident; 3) any damage caused to the Residential Living Unit during occupancy or in moving; and 4) any nonstandard costs specifically incurred by the Corporation at the request of the Resident. Any refund due the Resident for termination

Resident Initials: _____

during this period will be made within thirty (30) days after the living unit is vacated and made available for marketing.

- (e) After the ninety (90) day period, this Agreement may be terminated by the Resident at any time by serving the Corporation a sixty (60) day advance written notice of such termination.
- (f) If another individual (“Other Resident”) signs a separate Residency Agreement to share occupancy of the same Residential Living Unit with the Resident, in the event of the death of the Other Resident, or the removal of the Other Resident from the Residential Living Unit on a permanent basis for any reason, the remaining Resident will continue to enjoy all rights, privileges, and obligations of this Agreement. Any refund of the Residency Fee due under either of said Residency Agreements will not be computed until the termination of both Residency Agreements due to death or otherwise, and any refund due under either Residency Agreement will be paid to the Resident or Other Resident who is the last to terminate his or her Residency Agreement.
- (g) At the effective date of termination of this Agreement, the Resident shall vacate the Residential Living Unit, and shall leave it in good condition except for reasonable wear and tear. Damage due to smoking or having household pets, if approved, will not be considered as reasonable wear and tear. The Resident shall be responsible to the Corporation for any costs incurred in restoring the living accommodations to good condition and repair any damage beyond reasonable wear and tear.
- (h) 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 their heirs, executors, administrators, or assigns.

2. Changes in Occupancy

- (a) Should the Resident choose to marry, and the new spouse is not a resident of the Community, the spouse will be required to submit an application for admission. The spouse would complete the regular admission process including the payment of all fees, which may include but not be limited to the upgraded and readjusted Residency Fee and Monthly Fee. If denied, the couple would then have sixty (60) days to make other living arrangements. If the couple must make other living arrangements, any monies to be returned would be paid to the individual who was a contracted resident of the Community. This refund would be paid within thirty (30) days after the date that the last Residential Living Unit to have been occupied by the Resident was vacated and made available for remarketing.
- (b) Should the Resident choose to marry another resident, and the two choose to occupy a single living unit, the person vacating their unit will have any fees to be returned set aside and held by the Corporation for use by the Resident to pay for necessary healthcare expenses should the Resident need nursing care.
- (c) After the Resident has occupied a Residential Living Unit, should the Resident desire to have another individual move in with him/her (including a new spouse), the new individual shall

Resident Initials: _____

complete the normal admission process including the payment of all fees. If the application for admission is approved, either the original agreement shall be amended, or new agreements shall be executed which specify the new fees and terms established by the Corporation.

- (d) Should a couple occupying a Residential Living Unit choose to no longer share a single living unit, one of the residents may remain in the occupied unit with that individual becoming solely entitled to any refund which may be later due under the Residency Agreement, and that person will continue to enjoy all rights, privileges, and obligations of said agreement. A separate and new Residency agreement must be executed for the person moving out of the unit and into another living unit. Should the person vacating the living unit choose to leave the Community and find other living opportunities, the person is not entitled to any refund and the Corporation shall have no further obligations to this Resident or their heirs, executors, administrators, or assigns.

3. Residency

- (a) The Corporation agrees the Resident may occupy the Residential Living Unit described above, subject to the conditions of this Agreement.
- (b) Upon termination of this Agreement by either party, or upon the death of the Resident, after a new Residency Agreement has been executed by another party for the last Residential Living unit to have been occupied by the Resident, and all fees due have been paid in full, the Resident or the Resident's estate will be entitled to a refund of the Residency Fee during the initial thirty-six (36) months of this Agreement. The amount of the refund shall be based upon the length of time that has elapsed from the date the Residency Agreement was signed to the effective date of termination as follows:

First ninety (90) days or portion thereof 90% of total fee

Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the of the original residency fee will be reduced by 2.73% per month for each month of occupancy through month thirty-six (36). After month thirty-six (36) of occupancy, the refund will be zero. During the life of the Resident at the Community, the refund shall not be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.

The total fee, which is subject to refund as set forth in this schedule, is reduced by any costs specifically incurred by the Community at the request of the Resident and set forth in writing in a separate addendum and signed by both parties to this Agreement.

- (c) If the Resident, because of changes in circumstances, chooses to move into a different living unit where a lesser Residency Fee is required, the Resident may do so but without a refund. If the Resident should choose to move into a different living unit where a larger Residency Fee is required, the Resident will pay the difference between the Residency Fee and

Resident Initials: _____

additional fees based on the amount the Resident paid upon admission and the current Residency Fee for the new Residential Living Unit to be occupied.

- (d) If the Resident occupies the residence for less than ninety (90) days and then moves into the Health Center, the Corporation will retain six (6) percent of the Residency Fee. The remainder will be set aside for use by the Resident for healthcare expenses.
- (e) If the Resident should move into the Health Center and vacate the Residential Living Unit, regardless of the length of residence in the Residential Living Unit, this Agreement will remain in effect.
- (f) If two persons sign a Residency Agreement for the same Residential Unit and one of them should need to move into the Health Center on a permanent basis, the Resident remaining in the Residential Living Unit will continue to enjoy all the rights, privileges, and obligations of this Agreement. The prevailing cost of healthcare for the person moving into the Health Center shall be paid from that person's available assets including assets transferred by the Resident to a revocable trust or to any trust in which the Resident is a beneficiary. The person remaining in the Residential Living Unit becomes solely entitled to any refund of the Residency Fee, which may later be due under this Agreement.
- (g) After the first ninety (90) days of occupancy of the Residential Living Unit, any refund due the Resident under this Residency Agreement will be made only when the last Residential Living Unit to have been occupied by the Resident is covered by a new Residency Agreement with another person or persons and all new fees have been paid in full.
- (h) Continued occupancy of a suitable Residential Living Unit will be determined by the Resident's health needs. *(See Section 7 for clarification.)*

4. Monthly Fee

There is a monthly fee to be paid by the Resident at the beginning of each month that helps underwrite administrative/programmatic costs and a variety of support services, including some meals. This fee is referred to as a Monthly Fee. This fee provides the Resident with services including the following:

- (a) Outside maintenance and inside routine maintenance of the Residential Living Unit as described in the Resident Handbook.
- (b) Twelve (12) noncumulative nurse visits per year if needed. *(See Paragraph 7 (f) for clarification.)*
- (c) Emergency call system to Nursing Station on 24-hour basis plus night security services.
- (d) Twenty (20) meals per month per occupant for those who reside in the apartment building and Ten (10) meals per month per occupant for those who reside in cottage or villa homes.
- (e) The option to purchase extra meals singly or through a monthly rate.

Resident Initials: _____

- (f) Access to programs and transportation of the Community. A minimum charge will be made for certain activities and items. The Resident will be informed of all charges.
- (g) Access to a variety of types of support services. A minimum charge will be made for these services. The Resident will be informed of all charges.
- (h) Other as herein listed: _____

5. Financial Requirements

- (a) The Resident must have assets and income, which will be sufficient under foreseeable circumstances, to pay the financial obligations under this Agreement and to meet their ordinary living expenses. The Resident shall be required at specific times to present the Corporation with an updated confidential financial statement.
- (b) The Resident, Resident’s current and/or future representatives (i.e., power of attorney, executor, etc.) will abide by any and all financial arrangements made with the Corporation for the purpose of securing the Resident’s ability to pay any and all charges for residing at the Community. The Resident agrees not to make any gift or other transfer of assets for the purpose of evading the Resident’s obligations under this Agreement if such gift or transfer would render the Resident unable to meet their financial obligations under this Agreement. Gifts or transfers of assets in this manner, which result in the Resident’s inability to meet Resident’s financial obligations in accordance with this Agreement, would entitle the Corporation to terminate this Agreement, and the Resident or Resident’s representative, as applicable, would be liable for any unpaid amounts to the Corporation.
- (c) If requested by the Corporation, the Resident will apply for any or all federal, state, and local benefits for which the Resident may be eligible or entitled; and if requested by the Corporation, the Resident will apply any or all such benefits toward the cost of Resident’s care at the Community. These benefits may include, but would not be limited to: Medicare, prescription, and Veteran benefits.
- (d) The Corporation will carry fire insurance on the Residential Living Unit. The Resident will be responsible for insurance on contents and personal liability.
- (e) The current Monthly Fee is as follows: \$_____. It is understood this fee will be adjusted from time-to-time by the Corporation. A thirty (30) day advance notice will be given to the Resident before any changes in fees, charges or scope of care and services becomes effective. The Monthly Fee is charged as long as the Resident and/or Resident’s possessions are occupying the unit.
- (f) The Corporation will furnish a monthly statement to the Resident for the Monthly Fee and all chargeable items incurred by the Resident.
- (g) The Resident’s Monthly Fee and charges for additional services shall be paid on or before the tenth (10th) day of each month, except that the first Monthly Fee is due on the occupancy

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date. Payments not received by the due date will result in an assessment of the late fee listed in the Fee Schedule.

- (h) If after a period of sixty (60) days the Resident has not paid applicable fees and charges, the Corporation may terminate this Residency Agreement.
- (i) The Corporation will make available to the Resident a copy of its Virginia Disclosure Statement, which includes information regarding the financial status of the Corporation.
- (j) In the event it is necessary for the Corporation to take action for the purpose of enforcing this Agreement or the collecting of any sums of money due under this Agreement, the Corporation shall be entitled to recover routine attorney's fees, out-of-pocket expenses, and court costs.

6. Health Insurance

- (a) The Resident will maintain eligible Medicare Coverage and one supplemental insurance policy or equivalent insurance coverage, which adequately covers hospital, medical and skilled nursing deductibles and copayments required of the primary insurance plan.
- (b) If the Resident has chosen to participate in a managed care insurance program as an alternative to Medicare Part A, Medicare Part B, or other healthcare programs, and supplemental insurance coverage, when healthcare services are provided at the Community, the following restrictions apply:
 - (i) If the Corporation is an approved participating provider with Resident's managed care program, the Corporation agrees to be reimbursed at the rate negotiated with the Resident's managed care program.
 - (ii) If the Corporation is not an approved participating provider with the Resident's managed care program and the Resident chooses to receive healthcare services at a managed care participating provider, then the Resident agrees that the Resident must relocate for as long as necessary for those services to be provided and be responsible for all costs. In addition, while receiving healthcare services at the managed care participating provider, the Resident agrees that unless this Agreement is terminated, the Resident will continue to pay all fees for the Resident's living accommodation at the Community, unless the Resident's living accommodation has been surrendered to the Community.
 - (iii) If the Corporation is not a participating provider in the Resident's managed care program and a negotiated rate is not agreed upon by the Corporation, and the Resident would still like to receive healthcare services at the Community, then the Resident will be responsible for the full amount of applicable fees and any charges not paid by the Resident's insurance carrier.
- (c) Both the primary and supplemental health insurance policies must recognize the Corporation as a healthcare provider; or the Resident will assume the financial responsibility for services provided that otherwise would not be covered.

Resident Initials: _____

- (d) The Resident will be responsible for ensuring that the health insurance coverage does not lapse and, upon request, will provide Lake Prince Center, Inc. with evidence of such coverage. Should the health insurance coverage lapse, Lake Prince Center, Inc. may require the Resident to reapply for suitable coverage.
- (e) If the Resident is unable to obtain adequate new coverage, Lake Prince Center, Inc. will bill the Resident for any costs related to medical or other healthcare services that would have otherwise been covered by the health insurance coverage policy.
- (f) Lake Prince Center, Inc. reserves the right and sole discretion to eliminate and/or change its participation in all insurance plans.

7. Health Needs

- (a) The Resident will provide the Community with appropriate medical records thirty (30) days prior to occupancy and will, within sixty (60) days after taking occupancy, have a medical examination by a private physician or the Community's Medical Director. In matters of health, the Community's Medical Director will recommend to the administrative staff continued occupancy of a suitable Residential Living Unit. The administrative staff would make a final decision on occupancy of said Residential Living Unit after consultation with the Resident, the Resident's physician, and/or the Resident's Power-of-Attorney/Resident Representative.
- (b) The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residential Living Unit and move to a level of living which would best meet their needs (such determinations to be made by the Community's administrative staff): limited mobility; limited vision; failing general health that precludes the Resident from residential living due to inability to cook, clean, wash, bathe, maintain continence hygiene, secure groceries and supplies; loss of mental faculties to a degree where living independently poses a hazard to their health or to the health of the community.
- (c) When the Resident's health condition changes, an assessment team is assigned to evaluate the Resident utilizing the Corporation's Level of Living Guidelines, a copy of which is available to all residents. A formal appeal process is available to the Resident if the assessment team recommends changes to the Resident's living accommodations and/or level of living status with which the Resident disagrees.
- (d) If at any time the Medical Director, in consultation with the administrative staff, determines the Resident is no longer able to function in a Residential Living Unit or needs care beyond the scope of the Corporation, the Resident will abide by that decision.
- (e) If the Resident becomes unable to care for their business and financial affairs, the Corporation reserves the right, because of its financial and moral involvement, to institute action for the determination of the Resident's competence and, if necessary, facilitate the appointment of a guardian to fulfill the terms of this Agreement, unless such needed arrangements have already been made.

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- (f) The Resident is provided with twelve (12) nurse visits per year as part of the Monthly Fee. Nurse visits are noncumulative. These (12) visits can include visits to the Wellness Clinic but exclude services that qualify for coverage by Medicare Part B or another third (3rd) party insurance that may be provided by a licensed home health agency. The administrative staff, in consultation with the Medical Director and/or the Resident's physician, shall determine the need for such services. The Resident will be charged a routine fee for nurse visits in excess of twelve (12) per year.
- (g) The Corporation agrees that if the Resident should need assisted living or nursing services, such services will be made available by the Corporation at fees current at such time as said services are needed and according to available space.

8. Resident Obligations

- (a) The Resident will make provisions in a Last Will and Testament thirty (30) days prior to occupancy for the final disposition of all furniture and possessions located at the Community, for burial and payment of funeral expenses, and for the appointment of an executor, provided the Resident does not already have a Will that would accomplish these purposes. The Resident agrees to complete an instruction form, which will contain pertinent data related to the above matters and will keep this recorded information current while in residency. It is the responsibility of the Resident to deliver this up-to-date information to the Administrative Office.
- (b) The Resident shall, within thirty (30) days prior to occupancy, legally designate a person as Power-of-Attorney/Resident Representative. The name, address, and telephone number of this person, along with a copy of the documentation of this designation, will be filed with the Corporation.
- (c) The rights and privileges of the Resident under this Agreement to living accommodations, facilities, and services are personal to the Resident and cannot be transferred or assigned by act of the Resident, or by any proceedings at law, or otherwise.
- (d) The Resident agrees to reimburse the Corporation for any loss or damage suffered by the Corporation resulting from their misconduct, negligence or any damage beyond normal wear and tear.
- (e) The Resident will maintain their living accommodations in a clean, safe, and orderly condition.
- (f) The Resident shall assist the Corporation in application for and utilization of all appropriate support funds to which the Resident may be entitled and agrees to execute reasonable and necessary documents for this purpose.
- (g) The Resident agrees to follow and abide by administrative policies that are designed for the comfort, safety, and security of all residents. The Resident will be furnished a copy of the current Resident Handbook. The Resident Handbook includes administrative policies and procedures that are part of this Agreement by reference and will be amended by the Corporation from time to time.

Resident Initials: _____

- (h) Rights of the Resident under this Agreement are the rights and privileges herein expressly granted and do not include any proprietary interest in the properties or assets of the Corporation or any membership in the Corporation.
- (i) The Corporation shall not be responsible for the loss of any property belonging to the Resident due to theft, mysterious disappearance, fire, or any other cause, it being understood that the Resident will have the responsibility of providing any desired insurance protection covering any such loss. Ten (10) days after the death of the Resident or termination of this Agreement, the Corporation shall have the right to remove all property from the Resident's accommodations and to store and charge for the storage of such property if the Resident or the Resident's estate has not disposed of same.
- (j) The Corporation assumes no responsibility for any injury or illness resulting from misconduct or negligence of or by the Resident.
- (k) The Corporation shall not be liable or responsible for any expenses incurred or obligations of any nature contracted by the Resident.

9. Financial Assistance

- (a) In connection with its charitable mission, the EveryAge Foundation, hereinafter referred to as the "Foundation" was established to help fulfill the Corporation's desire that a Resident would not need to leave the Community solely due to the lack of funds. Any disposition of the Resident's assets in any way other than for care and services at the Community or related living/medical expenses to the extent that Resident cannot adequately provide for Resident's expenses or care, will disqualify the Resident for financial assistance from the Foundation and entitle the Corporation to terminate the Resident's right to reside at the Community.

If a Resident presents facts which in the opinion of the Foundation justify special financial consideration, the Foundation will consider subsidizing in whole or in part the fees and charges payable by the Resident hereunder so long as such subsidy can be made without impairing the ability of the Foundation to attain its objectives while operating on a sound financial basis.

If the Foundation may subsidize in whole or in part the fees and charges payable by the Resident hereunder, the Resident will be required to execute a separate Financial (Benevolence) Assistance Agreement with the Foundation.

If the Foundation continues to provide the services to the Resident under the terms of said Financial (Benevolence) Assistance Agreement despite the Resident's financial inability to continue to pay the fees or charges payable under the terms of this Agreement, the Corporation shall be entitled to require the Resident to move to a smaller or less costly living accommodation.

Resident Initials: _____

Any determination by the Foundation regarding the granting or continuation of financial assistance shall be within the sole discretion of the Foundation, under a separate agreement.

- (b) When a Resident leaves the Community either through death or relocation, if said Resident's fees have been subsidized wholly or partly by the Foundation, the Resident or Resident's estate, if any, will be liable to the Foundation for the full amount of the subsidy the Resident received for the entire time of residency. This provision will apply whether or not the Resident is residing at the Community at the time of death. This Agreement will operate as a lifetime assignment, transfer, and conveyance to the Foundation of the amount of Resident's property necessary to cover such liability. Any amount due the Foundation under this provision may be deducted from any refund payable by the Corporation to the Resident or to the Resident's estate, with said funds to be used to reimburse the Foundation.
- (c) The Foundation has established funds which will be used to assist Residents who would otherwise not be able to live at the Community. These funds may be used for the purpose of providing financial assistance, but no Resident shall have any claim to or expectation of receiving or continuing to receive any such assistance.
- (d) The resources of the Foundation to provide financial assistance are limited, and the Corporation reserves the right to terminate the residency of any Resident who cannot pay the full cost of Corporation's fees and charges, and other costs in connection with such Resident's stay at the Community.

10. Residency Agreement Concerns

- (a) This Agreement constitutes the entire Contract by and between the Corporation and the Resident. The Corporation is not liable in any manner by any statements, representations, or promises made by persons representing or purporting to represent the Corporation, unless such statements, representations, or promises are set forth in this Agreement or as set forth in a subsequent agreement signed by the parties.
- (b) Notwithstanding any other provisions of this Agreement, the Corporation shall have the right to alter the living accommodations of the Resident to meet the requirement of law, or regulation of the Fire Department, Department of Public Health, or other duly constituted authorities or agencies.
- (c) Except as set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of the Corporation and the heirs, executors, and administrators, and assigns of the Resident.
- (d) The Corporation shall not cancel this Agreement with the Resident without good cause. Good cause shall be limited to: proof that the Resident is a danger to himself/herself or others; nonpayment of the Monthly Fee; repeated conduct by the Resident that interferes with other residents' enjoyment of the Community; persistent refusal to comply with the Corporation's written policies and procedures; a material misrepresentation made intentionally or recklessly by the Resident in the application for residency, or related materials, regarding information which if accurately provided, would have resulted in either a failure of the Resident to qualify

Resident Initials: _____

for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by the Corporation will be provided to the Resident. Where applicable, an opportunity will be given to cure, within a thirty (30) day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

- (e) No breach of the Corporation's obligations under this Agreement and no liability of injury to the Resident or Resident's property shall result from an interruption of, or failure to provide, contracted services due to an act of God or other cause beyond the control of the Corporation, specifically including (without limitation) strikes or other forms of labor disturbances, government regulations and/or embargoes, shortages of labor or materials, fire, flood, earthquakes, inclement weather or acts of the Resident. The Corporation shall make reasonable efforts to continue to provide the usual services in such event.

11. Other Considerations

- (a) This Agreement supersedes any previous agreements between said parties.
- (b) The Resident has been given, as an Addendum to this Agreement, a current copy of the Resident Handbook. The Resident understands that these documents will change from time to time but that they are the procedural documents for those occupying Residential Living Units at the Community.
- (c) The Corporation is a wholly controlled subsidiary of EveryAge, which is affiliated with the Southern Conference of the United Church of Christ. The Boards of Directors of the Corporation and of EveryAge consist of members selected for three-year terms. The Board of Directors of EveryAge elects the Board of Directors of the Corporation. The Corporation, operating under its 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.
- (d) All items in this Agreement are binding as of the date signed.

12. Escrow of Fees

- (a) In accordance with Virginia law, Residency Fees in excess of \$1,000 per person received prior to the Residential Living Unit being made available to the Resident for occupancy will be set aside in a fund controlled by an approved escrow agent. These funds remain the property of the prospective Resident until released to the Corporation. The funds in escrow shall not be subject to any liens, judgments, garnishments, or creditor's claims against the Corporation.
- (b) All funds deposited in escrow as described above shall be released to the Corporation when the Corporation presents to the escrow agent evidence that a unit is ready to be occupied by the Resident or a unit of the type reserved is available for immediate occupancy by the Resident or prospective Resident on whose behalf the fee was received.

Resident Initials: _____

- (c) Notwithstanding any other provision of this section, all funds deposited in escrow pursuant to this section shall be released according to the terms of the escrow agreement to the prospective Resident from whom it was received (i) if such funds have not been released within three (3) years after placement in escrow or within three (3) years after construction has started, whichever, is later, but in any event, in not more than six (6) years after placement in escrow, (ii) if the prospective Resident dies before occupying a unit, or (iii) upon rescission of this Agreement pursuant to provision herein. However, funds released to the Corporation as described above may be held in escrow for an additional period by mutual consent of the provider and the prospective Resident; however, the prospective Resident may consent to such additional period only after their deposit has been held in escrow for at least two (2) years.
- (d) Charges by the escrow agent shall be deducted from the earnings on amounts held in escrow. Net interest accrued will be added to the Resident's deposit.
- (e) All funds in the escrow account shall be invested in instruments authorized for the investment of public funds as set forth in applicable Virginia law and not in default as to principal or interest.

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Resident Initials: _____

The undersigned representative of Lake Prince Center, Inc. and the undersigned Resident do hereby certify that on this date a current Virginia Disclosure Statement dated _____ and a current copy of the Resident Handbook have been presented to the Resident(s) and that the Monthly Fee has been explained to the Resident(s). Prior to execution of this Residency Agreement, the Resident(s) had the opportunity to obtain the assistance of counsel in reviewing its terms.

The parties hereby execute this Residency Agreement:

Lake Prince Center, Inc.

Date

Authorized Community Representative/Title

Date

Resident

Exhibit 2: 50% Refundable Residential Living Unit Residency Agreement

Between

and

Lake Prince Center, Inc., d.b.a. Lake Prince Woods
100 Anna Goode Way, Suffolk, VA 23434

Effective: March 1, 2023

Lake Prince Center, Inc., d.b.a.,
Lake Prince Woods
100 Anna Good Way, Suffolk, Virginia 23434

Residential Living Residency Agreement

1. Basic Requirements

- (a) This Agreement is made this _____ day of _____, _____, by and between _____, hereinafter referred to as the “Resident,” and Lake Prince Center, Inc., d.b.a., Lake Prince Woods, a not-for-profit Corporation chartered by the State of North Carolina, hereinafter referred to as the “Corporation.” The Corporation is chartered to carry on ministry among aging persons within the bounds of the Southern Conference of the United Church of Christ. A Certificate of Authority to transact business in Virginia was issued to the Corporation by the State Corporation Commission August 9, 1999. Lake Prince Center, Inc. is a wholly controlled subsidiary of EveryAge. The Corporation’s facilities, located in Suffolk, Virginia, are sometimes referred to as the “Community.” This Residency Agreement is made between the Corporation and the Resident for occupancy of a _____ numbered _____, hereinafter referred to as the “Residential Living Unit,” located at the Community. This Residency Agreement is made binding with payment by the Resident of a Residency Fee in the amount of \$ _____ and a Monthly Fee.
- (b) If the Resident dies before occupying the unit, or is precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, this Agreement is automatically rescinded and the Resident or the Resident’s legal representative shall receive a full refund of all money paid under this Agreement, except those costs specifically incurred by the Community at the request of the Resident and set forth in writing in a separate addendum, and signed by both parties to this Agreement.
- (c) Notwithstanding any other provision of this Agreement, the Resident may rescind this Agreement without penalty or forfeiture, within seven (7) days after making an initial deposit or executing the contract. The Resident is not required to move into the Residential Living Unit before the expiration of this seven-day period.
- (d) During the first ninety (90) days of occupancy, the Resident will have the right to terminate this agreement by serving the Corporation with written notice of such termination. During the ninety-day period, the Corporation also has the right to terminate this Agreement based on its judgment regarding the Resident's ability to adjust to this lifestyle. Any money paid will be refunded in full, other than: 1) A ten percent (10%) reduction in the initial Residency Fee paid; 2) the Monthly Fee applicable to the period a Residential Living Unit was under contract or occupied by the Resident; 3) any damage caused to the Residential Living Unit during occupancy or in moving; and 4) any nonstandard costs specifically incurred by the Corporation at the request of the Resident. Any refund due the Resident for termination during this period will be made within thirty (30) days after the living unit is vacated and made available for marketing.

Resident Initials: _____

- (e) After the ninety (90) day period, this Agreement may be terminated by the Resident at any time by serving the Corporation a sixty (60) day advance written notice of such termination.
- (f) If another individual (“Other Resident”) signs a separate Residency Agreement to share occupancy of the same Residential Living Unit with the Resident, in the event of the death of the Other Resident, or the removal of the Other Resident from the Residential Living Unit on a permanent basis for any reason, the remaining Resident will continue to enjoy all rights, privileges, and obligations of this Agreement. Any refund of the Residency Fee due under either of said Residency Agreements will not be computed until the termination of both Residency Agreements due to death or otherwise, and any refund due under either Residency Agreement will be paid to the Resident or Other Resident who is the last to terminate his or her Residency Agreement.
- (g) At the effective date of termination of this Agreement, the Resident shall vacate the Residential Living Unit, and shall leave it in good condition except for reasonable wear and tear. Damage due to smoking or having household pets, if approved, will not be considered as reasonable wear and tear. The Resident shall be responsible to the Corporation for any costs incurred in restoring the living accommodations to good condition and repair any damage beyond reasonable wear and tear.
- (h) 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 their heirs, executors, administrators, or assigns.

2. Changes in Occupancy

- (a) Should the Resident choose to marry, and the new spouse is not a resident of the Community, the spouse will be required to submit an application for admission. The spouse would complete the regular admission process including the payment of all fees, which may include but not be limited to the upgraded and readjusted Residency Fee and Monthly Fee. If denied, the couple would then have sixty (60) days to make other living arrangements. If the couple must make other living arrangements, any monies to be returned would be paid to the individual who was a contracted resident of the Community. This refund would be paid within thirty (30) days after the date that the last Residential Living Unit to have been occupied by the Resident was vacated and made available for remarketing.
- (b) Should the Resident choose to marry another resident, and the two choose to occupy a single living unit, the person vacating their unit will have any fees to be returned set aside and held by the Corporation for use by the Resident to pay for necessary healthcare expenses should the Resident need nursing care.
- (c) After the Resident has occupied a Residential Living Unit, should the Resident desire to have another individual move in with him/her (including a new spouse), the new individual shall complete the normal admission process including the payment of all fees. If the application for admission is approved, either the original agreement shall be amended, or new agreements shall be executed which specify the new fees and terms established by the Corporation.

Resident Initials: _____

- (d) Should a couple occupying a Residential Living Unit choose to no longer share a single living unit, one of the residents may remain in the occupied unit with that individual becoming solely entitled to any refund which may be later due under the Residency Agreement, and that person will continue to enjoy all rights, privileges, and obligations of said agreement. A separate and new Residency agreement must be executed for the person moving out of the unit and into another living unit. Should the person vacating the unit choose to leave the Community and find other living opportunities, the person is not entitled to any refund and the Corporation shall have no further obligations to this Resident or their heirs, executors, administrators, or assigns.

3. Residency

- (a) The Corporation agrees the Resident may occupy the Residential Living Unit described above, subject to the conditions of this Agreement.
- (b) Upon termination of this Agreement by either party, or upon the death of the Resident, after a new Residency Agreement has been executed by another party for the last Residential Living Unit to have been occupied by the Resident, and all fees due have been paid in full, the Resident or the Resident's estate will be entitled to a refund of the Residency Fee during the initial thirty-six (36) months of this Agreement. The amount of the refund shall be based upon the length of time that has elapsed from the date the Residency Agreement was signed to the effective date of termination as follows:

First ninety (90) days or portion thereof 90% of total fee

Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the residency fee will be reduced by 1.212% of the original residency fee. After the thirty-sixth (36th) month of occupancy, the refund will remain at the 50% level. During the life of the Resident at the Community, the refund shall not be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.

The total fee, which is subject to refund as set forth in this schedule, is reduced by any costs specifically incurred by the Community at the request of the Resident and set forth in writing in a separate addendum and signed by both parties to this Agreement. During the life of the Resident at the Community, the refund cannot be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.

- (c) If the Resident, because of changes in circumstances, chooses to move into a different living unit where a lesser Residency Fee is required, the Resident may do so but without a refund. If the Resident should choose to move into a different living unit where a larger Residency Fee is required, the Resident will pay the difference between the Residency Fee and additional fees based on the amount the Resident paid upon admission and the current Residency Fee for the new Residential Living Unit to be occupied.

Resident Initials: _____

- (d) If the Resident occupies the residence for less than ninety (90) days and then moves into the Health Center, the Corporation will retain ten percent (10%) percent of the Residency Fee. The remainder will be set aside for use by the Resident for healthcare expenses.
- (e) If the Resident should move into the Health Center and vacate the Residential Living Unit, regardless of the length of residence in the Residential Living Unit, this Agreement will remain in effect.
- (f) If two persons sign a Residency Agreement for the same Residential Unit and one of them should need to move into the Health Center on a permanent basis, the Resident remaining in the Residential Living Unit will continue to enjoy all the rights, privileges, and obligations of this Agreement. The prevailing cost of healthcare for the person moving into the Health Center shall be paid from that person's available assets including assets transferred by the Resident to a revocable trust or to any trust in which the Resident is a beneficiary. The person remaining in the Residential Living Unit becomes solely entitled to any refund of the Residency Fee, which may later be due under this Agreement.
- (g) After the first ninety (90) days of occupancy of the Residential Living Unit, any refund due the Resident under this Agreement will be made only when the last Residential Living Unit to have been occupied by the Resident is covered by a new Residency Agreement with another person or persons and all new fees have been paid in full.
- (h) Continued occupancy of a suitable Residential Living Unit will be determined by the Resident's health needs. *(See Section 7 for clarification.)*

4. Monthly Fee

There is a monthly fee to be paid by the Resident at the beginning of each month that helps underwrite administrative/programmatic costs and a variety of support services, including some meals. This fee is referred to as a Monthly Fee. This fee provides the Resident with services including the following:

- (a) Outside maintenance and inside routine maintenance of the Residential Living Unit as described in the Resident Handbook.
- (b) Twelve (12) non-cumulative nurse visits per year if needed. *(See Paragraph 7(f) for clarification.)*
- (c) Emergency call system to Nursing Station on 24-hour basis plus night security services.
- (d) Twenty (20) meals per month per occupant for those who reside in the apartment building and ten (10) meals per month per occupant for those who reside in cottage or villa homes.
- (e) The option to purchase extra meals singly or through a monthly rate.
- (f) Access to programs and transportation of the Community. A minimum charge will be made for certain activities and items. The Resident will be informed of all charges.
- (g) Access to a variety of types of support services. A minimum charge will be made for these services. The Resident will be informed of all charges.
- (h) Other as herein listed: _____

Resident Initials: _____

5. Financial Requirements

- (a) The Resident must have assets and income which will be sufficient under foreseeable circumstances to pay the financial obligations under this Agreement and to meet their ordinary living expenses. The Resident shall be required at specific times to present the Corporation with an updated confidential financial statement.
- (b) The Resident, Resident's current, and future representatives (i.e., power of attorney, executor, etc.) will abide by all financial arrangements made with the Corporation for the purpose of securing the Resident's ability to pay any and all charges for residing at the Community. The Resident agrees not to make any gift or other transfer of assets for the purpose of evading the Resident's obligations under this Agreement if such gift or transfer would render the Resident unable to meet their financial obligations under this Agreement. Gifts or transfers of assets in this manner, which result in the Resident's inability to meet Resident's financial obligations in accordance with this Agreement, would entitle the Corporation to terminate this Agreement, and the Resident or Resident's representative, as applicable, would be liable for any unpaid amounts to the Corporation.
- (c) If requested by the Corporation, the Resident will apply for any or all federal, state, and local benefits for which the Resident may be eligible or entitled; and if requested by the Corporation, the Resident will apply any or all such benefits toward the cost of Resident's care at the Community. These benefits may include, but would not be limited to: Medicare, prescription, and Veteran benefits.
- (d) The Corporation will carry fire and extended coverage insurance on the Residential Living Unit. The Resident will be responsible for insurance on contents and personal liability.
- (e) The current Monthly Fee is as follows: \$ _____. It is understood this fee will be adjusted from time-to-time by the Corporation. A thirty (30) day advance notice will be given to the Resident before any changes in fees, charges or scope of care and services becomes effective. The Monthly Fee is charged as long as the Resident and/or the Resident's possessions are occupying the unit.
- (f) The Corporation will furnish a monthly statement to the Resident for the Monthly Fee and all chargeable items incurred by the Resident.
- (g) The Resident's Monthly Fee and charges for additional services shall be paid on or before the tenth (10th) day of each month, except that the first Monthly Fee is due on the occupancy date. Payments not received by the due date will result in an assessment of the late fee listed in the Fee Schedule.
- (h) If, after a period of sixty (60) days, the Resident has not paid applicable fees and charges, the Corporation may terminate this Residency Agreement.

Resident Initials: _____

- (i) The Corporation will make available to the Resident a copy of its Virginia Disclosure Statement, which includes information regarding the financial status of the Corporation.
- (j) In the event it is necessary for the Corporation to take action for the purpose of enforcing this Agreement or the collecting of any sums of money due under this Agreement, the Corporation shall be entitled to recover routine attorney's fees, out-of-pocket expenses, and court costs.

6. Health Insurance

- (a) The Resident will maintain eligible Medicare Coverage and one supplemental insurance policy or equivalent insurance coverage, which adequately covers hospital, medical and skilled nursing deductibles and copayments required of the primary insurance plan.
- (b) If the Resident has chosen to participate in a managed care insurance program as an alternative to Medicare Part A, Medicare Part B, or other healthcare programs, and supplemental insurance coverage, when healthcare services are provided at the Community, the following restrictions apply:
 - (i) If the Corporation is an approved participating provider with Resident's managed care program, the Corporation agrees to be reimbursed at the rate negotiated with the Resident's managed care program.
 - (ii) If the Corporation is not an approved participating provider with the Resident's managed care program and the Resident chooses to receive healthcare services at a managed care participating provider, then the Resident agrees that the Resident must relocate for as long as necessary for those services to be provided and be responsible for all costs. In addition, while receiving healthcare services at the managed care participating provider, the Resident agrees that unless this Agreement is terminated, the Resident will continue to pay all fees for the Resident's living accommodation at the Community, unless the Resident's living accommodation has been surrendered to the Community.
 - (iii) If the Corporation is not a participating provider in the Resident's managed care program and a negotiated rate is not agreed upon by the Corporation, and the Resident would still like to receive healthcare services at the Community, then the Resident will be responsible for the full amount of applicable fees and any charges not paid by the Resident's insurance carrier.
- (c) Both the primary and supplemental health insurance policies must recognize the Corporation as a healthcare provider; or the Resident will assume the financial responsibility for services provided that otherwise would not be covered.
- (d) The Resident will be responsible for ensuring that the health insurance coverage does not lapse and, upon request, will provide Lake Prince Center, Inc. with evidence of such coverage. Should the health insurance coverage lapse, Lake Prince Center, Inc. may require the Resident to reapply for suitable coverage.

Resident Initials: _____

- (e) If the Resident is unable to obtain adequate new coverage, Lake Prince Center, Inc. will bill the Resident for any costs related to medical or other healthcare services that would have otherwise been covered by the health insurance coverage policy.
- (f) Lake Prince Center, Inc. reserves the right and sole discretion to eliminate and/or change its participation in all insurance plans.

7. Health Needs

- (a) The Resident will provide the Community with appropriate medical records thirty (30) days prior to occupancy and will, within sixty (60) days after taking occupancy, have a medical examination by a private physician or the Community's Medical Director. In matters of health, the Community's Medical Director will recommend to the administrative staff continued occupancy of a suitable Residential Living Unit. The administrative staff would make a final decision on occupancy of said Residential Living Unit after consultation with the Resident, the Resident's physician, and/or the Resident's Power-of-Attorney/Resident Representative.
- (b) The following conditions of physical and mental health may result in the need for the Resident to relinquish the Residential Living Unit and move to a level of living which would best meet their needs (such determinations to be made by the Community's administrative staff): limited mobility; limited vision; failing general health that precludes the Resident from residential living due to inability to cook, clean, wash, bathe, maintain continence hygiene, secure groceries and supplies; loss of mental faculties to a degree where living independently poses a hazard to their health or to the health of the community.
- (c) When the Resident's health condition changes, an assessment team is assigned to evaluate the Resident utilizing the Corporation's Level of Living Guidelines, a copy of which is available to all residents. A formal appeal process is available to the Resident if the assessment team recommends changes to the Resident's living accommodations and/or level of living status with which the Resident disagrees.
- (d) If at any time the Medical Director, in consultation with the administrative staff, determines the Resident is no longer able to function in a Residential Living Unit or needs care beyond the scope of the Corporation, the Resident will abide by that decision.
- (e) If the Resident becomes unable to care for their business and financial affairs, the Corporation reserves the right, because of its financial and moral involvement, to institute action for the determination of the Resident's competence and, if necessary, facilitate the appointment of a guardian to fulfill the terms of this Agreement, unless such needed arrangements have already been made.
- (f) The Resident is provided with twelve (12) nurse visits per year as part of the Monthly Fee. Nurse visits are noncumulative. These (12) nurse visits can include visits to the Wellness Clinic but exclude services that qualify for coverage by Medicare Part B or another third (3rd) party insurance that may be provided by a licensed home health agency. The administrative

Resident Initials: _____

staff, in consultation with the Medical Director and/or the Resident's physician, shall determine the need for such services. The Resident will be charged a routine fee for nurse visits in excess of twelve (12) per year.

- (g) The Corporation agrees that if the Resident should need assisted living or nursing services, such services will be made available by the Corporation at fees current at such time as said services are needed and according to available space.

8. Resident Obligations

- (a) The Resident will make provisions in a Last Will and Testament thirty (30) days prior to occupancy for the final disposition of all furniture and possessions located at the Community, for burial and payment of funeral expenses, and for the appointment of an executor, provided the Resident does not already have a Will that would accomplish these purposes. The Resident agrees to complete an instruction form that will contain pertinent data related to the above matters and will keep this recorded information current while in residency. It is the responsibility of the Resident to deliver this up-to-date information to the Administrative Office.
- (b) The Resident shall, within thirty (30) days prior to occupancy, legally designate a person as Power-of-Attorney/Resident Representative. The name, address, and telephone number of this person, along with a copy of the documentation of this designation, will be filed with the Corporation.
- (c) The rights and privileges of the Resident under this Agreement to living accommodations, facilities, and services are personal to the Resident and cannot be transferred or assigned by act of the Resident, or by any proceedings at law, or otherwise.
- (d) The Resident agrees to reimburse the Corporation for any loss or damage suffered by the Corporation resulting from their misconduct, negligence or any damage beyond normal wear and tear.
- (e) The Resident will maintain their living accommodations in a clean, safe, and orderly condition.
- (f) The Resident shall assist the Corporation in application for and utilization of all appropriate support funds to which the Resident may be entitled and agrees to execute reasonable and necessary documents for this purpose.
- (g) The Resident agrees to follow and abide by administrative policies that are designed for the comfort, safety, and security of all residents. The Resident will be furnished a copy of the current Resident Handbook. The Resident Handbook includes administrative policies and procedures that are part of this Agreement by reference and will be amended by the Corporation from time-to-time.

Resident Initials: _____

- (h) Rights of the Resident under this Agreement are the rights and privileges herein expressly granted and do not include any proprietary interest in the properties or assets of the Corporation or any membership in the Corporation.
- (i) The Corporation shall not be responsible for the loss of any property belonging to the Resident due to theft, mysterious disappearance, fire, or any other cause, it being understood that the Resident will have the responsibility of providing any desired insurance protection covering any such loss. Ten (10) days after the death of the Resident or termination of this Agreement, the Corporation shall have the right to remove all property from the Resident's accommodations and to store and charge for the storage of such property if the Resident or the Resident's estate has not disposed of same.
- (j) The Corporation assumes no responsibility for any injury or illness resulting from misconduct or negligence of or by the Resident.
- (k) The Corporation shall not be liable or responsible for any expenses incurred or obligations of any nature contracted by the Resident.

9. Financial Assistance

- (a) In connection with its charitable mission, the EveryAge Foundation, hereinafter referred to as the "*Foundation*" was established to help fulfill the Corporation's desire that a Resident would not need to leave the Community solely due to the lack of funds. Any disposition of the Resident's assets in any way other than for care and services at the Community or related living/medical expenses to the extent that Resident cannot adequately provide for Resident's expenses or care, will disqualify the Resident for financial assistance from the Foundation and entitle the Corporation to terminate the Resident's right to reside at the Community.

If a Resident presents facts which in the opinion of the Foundation justify special financial consideration, the Foundation will give careful consideration to subsidizing in whole or in part the fees and charges payable by the Resident hereunder so long as such subsidy can be made without impairing the ability of the Foundation to attain its objectives while operating on a sound financial basis.

If the Foundation may subsidize in whole or in part the fees and charges payable by the Resident hereunder, the Resident will be required to execute a separate Financial (Benevolence) Assistance Agreement with the Foundation.

If the Foundation continues to provide the services to the Resident under the terms of said Financial (Benevolence) Assistance Agreement despite the Resident's financial inability to continue to pay the fees or charges payable under the terms of this Agreement, the Corporation shall be entitled to require the Resident to move to a smaller or less costly living accommodation.

Resident Initials: _____

Any determination by the Foundation with regard to the granting or continuation of financial assistance shall be within the sole discretion of the Foundation, under a separate agreement.

- (b) When a Resident leaves the Community either through death or relocation, if said Resident's fees have been subsidized wholly or partly by the Foundation, the Resident or Resident's estate, if any, will be liable to the Foundation for the full amount of the subsidy the Resident received for the entire time of residency. This provision will apply whether or not the Resident is residing at the Community at the time of death. This Agreement will operate as a lifetime assignment, transfer, and conveyance to the Foundation of the amount of Resident's property necessary to cover such liability. Any amount due the Foundation under this provision may be deducted from any refund payable by the Corporation to the Resident or to the Resident's estate, with said funds to be used to reimburse the Foundation.
- (c) The Foundation has established funds which will be used to assist Residents who would otherwise not be able to live at the Community. These funds may be used for the purpose of providing financial assistance, but no Resident shall have any claim to or expectation of receiving or continuing to receive any such assistance.
- (d) The resources of the Foundation to provide financial assistance are limited, and the Corporation reserves the right to terminate the residency of any Resident who cannot pay the full cost of Corporation's fees and charges, and other costs in connection with such Resident's stay at the Community.

10. Residency Agreement Concerns

- (a) This Agreement constitutes the entire Contract by and between the Corporation and the Resident. The Corporation is not liable in any manner by any statements, representations, or promises made by persons representing or purporting to represent the Corporation, unless such statements, representations, or promises are set forth in this Agreement or as set forth in a subsequent agreement signed by the parties.
- (b) Notwithstanding any other provisions of this Agreement, the Corporation shall have the right to alter the living accommodations of the Resident to meet the requirement of law, or regulation of the Fire Department, Department of Public Health, or other duly constituted authorities or agencies.
- (c) Except as set forth herein, this Agreement shall bind and inure to the benefit of the successors and assigns of the Corporation and the heirs, executors, and administrators, and assigns of the Resident.
- (d) The Corporation shall not cancel this Agreement with the Resident without good cause. Good cause shall be limited to: proof that the Resident is a danger to himself/herself or others; nonpayment of the Monthly Fee; repeated conduct by the Resident that interferes with other residents' enjoyment of the Community; persistent refusal to comply with the Corporation's written policies and procedures; a material misrepresentation made intentionally or recklessly by the Resident in their application for residency, or related

Resident Initials: _____

materials, regarding information which if accurately provided, would have resulted in either a failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services provided under this Agreement; or a material breach of the terms and conditions of this Agreement by the Resident. A written notice of intent to cancel this Agreement by the Corporation will be provided to the Resident. Where applicable, an opportunity will be given to cure, within a thirty (30) day period, whatever conduct is alleged to warrant the cancellation of this Agreement.

- (e) No breach of the Corporation's obligations under this Agreement and no liability of injury to the Resident or Resident's property shall result from an interruption of, or failure to provide, contracted services due to an act of God or other cause beyond the control of the Corporation, specifically including (without limitation) strikes or other forms of labor disturbances, government regulations and/or embargoes, shortages of labor or materials, fire, flood, earthquakes, inclement weather or acts of the Resident. The Corporation shall make reasonable efforts to continue to provide the usual services in such event.

11. Other Considerations

- (a) This Agreement supersedes any previous agreements between said parties.
- (b) The Resident has been given, as an Addendum to this Agreement, a current copy of the Resident Handbook. The Resident understands that these documents will change from time to time but that they are the procedural documents for those occupying Residential Living Units at the Community.
- (c) The Corporation is a wholly controlled subsidiary of EveryAge, which is affiliated with the Southern Conference of the United Church of Christ. The Boards of Directors of the Corporation and of EveryAge consist of members selected for three-year terms. The Board of Directors of EveryAge elects the Board of Directors of the Corporation. The Corporation, operating under its 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.
- (d) All items in this Agreement are binding as of the date signed.

12. Escrow of Fees

- (a) In accordance with Virginia law, Residency Fees in excess of \$1,000 per person received prior to the Residential Living Unit being made available to the Resident for occupancy will be set aside in a fund controlled by an approved escrow agent. These funds remain the property of the prospective Resident until released to the Corporation. The funds in escrow shall not be subject to any liens, judgments, garnishments, or creditor's claims against the Corporation.
- (b) All funds deposited in escrow as described above shall be released to the Corporation when the Corporation presents to the escrow agent evidence that a unit is ready to be occupied by

Resident Initials: _____

the Resident or a unit of the type reserved is available for immediate occupancy by the Resident or prospective Resident on whose behalf the fee was received.

- (c) Notwithstanding any other provision of this section, all funds deposited in escrow pursuant to this section shall be released according to the terms of the escrow agreement to the prospective Resident from whom it was received (i) if such funds have not been released within three (3) years after placement in escrow or within three (3) years after construction has started, whichever, is later, but in any event, in not more than six (6) years after placement in escrow, (ii) if the prospective Resident dies before occupying a unit, or (iii) upon rescission of this Agreement pursuant to provision herein. However, funds released to the Corporation as described above may be held in escrow for an additional period by mutual consent of the provider and the prospective Resident; however, the prospective Resident may consent to such additional period only after their deposit has been held in escrow for at least two (2) years.
- (d) Charges by the escrow agent shall be deducted from the earnings on amounts held in escrow. Net interest accrued will be added to the Resident's deposit.
- (e) All funds in the escrow account shall be invested in instruments authorized for the investment of public funds as set forth in applicable Virginia law and not in default as to principal or interest.

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Resident Initials: _____

The undersigned representative of Lake Prince Center, Inc. and the undersigned Resident do hereby certify that on this date a current Virginia Disclosure Statement dated, _____ and a current copy of the Resident Handbook have been presented to the Resident(s) and that the Monthly Fee has been explained to the Resident(s). Prior to execution of this Residency Agreement, the Resident(s) had the opportunity to obtain the assistance of counsel in reviewing its terms.

The parties hereby execute this Residency Agreement:

Lake Prince Center, Inc.

Date

Authorized Community Representative/Title

Date

Resident

Exhibit 3: Audited Financial Statements

For Lake Prince Center, Inc. and EveryAge

EVERYAGE AND AFFILIATES
COMBINED FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2022
(WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 2021)



EVERYAGE AND AFFILIATES

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Independent Auditor's Report

To the 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) (the "Agency"), which comprise the combined statement of financial position as of September 30, 2022, and the related combined statements of activities and changes in net assets, functional expenses, and cash flows for the year 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, 2022, and the changes in their net assets and cash flows for the year 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 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.

Report on Summarized Comparative Information

We have previously audited EveryAge and Affiliates' 2021 combined financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 22, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
December 12, 2022

EVERYAGE AND AFFILIATES
Combined Statement of Financial Position
September 30, 2022 (With Comparative Totals for September 30, 2021)

	<u>Assets</u>	
	<u>2022</u>	<u>2021</u>
Current Assets:		
Cash and cash equivalents	\$ 3,725,758	\$ 1,458,281
Cash and cash equivalents, limited as to use	1,027,597	797,133
Accounts receivable, net of allowance for doubtful accounts	3,309,332	2,213,288
Other receivables, net of allowance for doubtful accounts	817,112	1,055,887
Due from related parties, current	941,573	330,773
Other current assets	966,717	759,827
Total current assets	<u>10,788,089</u>	<u>6,615,189</u>
Due from related parties, less current portion	227,524	227,524
Assets limited as to use	80,189,203	96,324,683
Equity investment	1,217,675	-
Fair value of interest rate swap receivable	5,703,707	-
Other non-current assets	1,176,020	1,147,195
Property and equipment, net	87,195,449	85,050,858
	<u>175,709,578</u>	<u>182,750,260</u>
 Total assets	 <u>\$ 186,497,667</u>	 <u>\$ 189,365,449</u>
	<u>Liabilities and Net Assets</u>	
Current Liabilities:		
Line of credit	\$ 2,159,178	\$ 500,000
Current portion of long-term debt	2,575,000	1,850,000
Current portion of capital leases	10,383	26,769
Accounts payable	4,322,300	4,041,828
Accrued salaries and related benefits	3,642,229	3,347,152
Other current payables	3,141,965	3,202,041
Total current liabilities	<u>15,851,055</u>	<u>12,967,790</u>
Long-Term Liabilities:		
Long-term debt, less current portion	90,222,607	85,484,418
Capital leases, less current portion	-	10,378
Long-term refunds payable	9,097,284	10,180,722
Fair value of interest rate swap payable	-	779,154
Deferred revenue CARES act	26,742	-
Deferred revenue from advance fees	37,660,841	35,148,153
	<u>137,007,474</u>	<u>131,602,825</u>
 Total liabilities	 <u>152,858,529</u>	 <u>144,570,615</u>
Net Assets:		
Without donor restrictions	25,773,040	37,512,691
With donor restrictions	7,866,098	7,282,143
Total net assets	<u>33,639,138</u>	<u>44,794,834</u>
 Total liabilities and net assets	 <u>\$ 186,497,667</u>	 <u>\$ 189,365,449</u>

See Notes to Combined Financial Statements

EVERYAGE AND AFFILIATES**Combined Statement of Operations and Changes in Net Assets****Year Ended September 30, 2022 (With Comparative Totals for Year Ended September 30, 2021)**

	<u>2022</u>	<u>2021</u>
Operating revenues:		
Health care	\$ 28,291,323	\$ 26,635,945
Pavilion/assisted living	3,674,865	3,581,809
Residential living	14,289,545	13,407,381
Amortization of advance fees	5,725,924	5,560,065
Home care	3,446,339	3,675,444
PACE income	15,741,565	15,709,176
Management fee income	176,652	173,791
Outside services	309,522	15,009
Other operating revenue	806,629	2,532,843
Total operating revenues	<u>72,462,364</u>	<u>71,291,463</u>
Operating expenses:		
Health services:		
Health care	12,540,873	12,204,092
Medical records	143,155	137,548
Personnel and employee benefits	10,056,998	10,661,857
Laundry	289,003	272,716
Social services	262,398	261,536
Activities	365,348	384,409
Spiritual life	199,483	183,924
Housekeeping	1,186,626	1,219,268
Plant maintenance	5,369,543	5,034,795
Residential living	448,709	334,460
Pavilion/assisted living	1,605,946	1,511,246
Clinic	164,108	108,751
Resident services	255,000	241,807
Transportation	202,206	169,534
Dietary	4,381,747	4,375,595
Wellness center	121,669	124,579
Beauty shop	36,478	37,730
Day care	300,544	255,871
Home care	2,278,365	2,315,486
Home health	948,323	804,576
PACE expenses (including depreciation of \$119,265)	13,240,712	13,396,047
Outside services	38,849	13,783
General and administrative:		
Administrative	5,782,370	5,284,191
Marketing	884,238	911,467
Staff development	156,247	143,908
Depreciation	6,749,921	6,627,180
Real estate taxes	394,989	175,894
Interest expense (including amortization of \$164,711)	2,575,186	3,600,434

EVERYAGE AND AFFILIATES**Combined Statement of Operations and Changes in Net Assets (Continued)****Year Ended September 30, 2022 (With Comparative Totals for Year Ended September 30, 2021)**

	<u>2022</u>	<u>2021</u>
Operating expenses (Continued):		
General and administrative (Continued):		
Insurance	\$ 1,084,910	\$ 1,022,128
Bad debts	354,542	222,180
Other operating expenses	623,129	544,501
Total operating expenses	<u>73,041,615</u>	<u>72,581,493</u>
Operating income (loss)	<u>(579,251)</u>	<u>(1,290,030)</u>
Nonoperating income (expense):		
Contributions and grants	188,311	267,894
Contribution expense	(2,313,612)	(1,224,337)
Investment return, net	(12,409,552)	13,150,230
Change in fair value of interest swap agreements	6,482,861	(779,154)
Gain on sale of property and equipment	28,454	2,708,138
Loss on extinguishment of debt	(5,887,333)	-
Other nonoperating expense	1,919,506	1,201,521
Net assets released from restrictions	830,962	170,574
Net nonoperating income (expense)	<u>(11,160,403)</u>	<u>15,494,866</u>
Change in net assets without donor restrictions	<u>(11,739,654)</u>	<u>14,204,836</u>
Net assets with donor restrictions:		
Contributions	1,419,544	841,631
Change in value of gift annuities	(4,627)	21,609
Net assets released from restrictions	(830,959)	(170,574)
Change in net assets with donor restrictions	<u>583,958</u>	<u>692,666</u>
Change in net assets	<u>(11,155,696)</u>	<u>14,897,502</u>
Net assets, beginning	<u>44,794,834</u>	<u>29,897,332</u>
Net assets, ending	<u>\$ 33,639,138</u>	<u>\$ 44,794,834</u>

EVERYAGE AND AFFILIATES**Combined Statement of Cash Flows****Year Ended September 30, 2022 (With Comparative Totals for Year Ended September 30, 2021)**

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ (11,155,696)	\$ 14,897,502
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized gain on investments	12,409,552	(13,150,230)
Net (gain) loss on sale of property and equipment	(28,454)	(2,708,138)
Loss on extinguishment of debt	28,212	-
Change in allowance for doubtful accounts	391,890	(92,437)
Depreciation, including PACE capital depreciation	6,869,186	6,760,091
Change in fair value of interest rate swap agreement	(6,482,861)	779,154
Amortization of deferred issue costs	145,822	192,817
Amortization of bond (premium) discount, net	(271,435)	(267,442)
Amortization of advance fees	(5,725,924)	(5,560,065)
Advance fees received	7,127,691	8,028,286
Change in value of gift annuities	9,167	(20,435)
(Increase) decrease in:		
Accounts receivable	(1,487,934)	124,820
Other receivables	238,775	(605,025)
Other current assets	(235,715)	107,846
Increase (decrease) in:		
Accounts payable	280,472	(444,647)
Accrued salaries and related benefits	295,077	345,875
Other current payables	1,888,881	660,867
Deferred revenue	26,742	(925,847)
Net cash provided by operating activities	<u>4,323,448</u>	<u>8,122,992</u>
Cash flows from investing activities:		
Change in assets limited as to use	2,499,086	(1,268,007)
Purchases of property and equipment	(9,014,778)	(7,167,952)
Proceeds from sale of property and equipment	29,455	2,716,740
Repayments from (to) related parties, net	(610,800)	(137,134)
Net cash used in investing activities	<u>(7,097,037)</u>	<u>(5,856,353)</u>
Cash flows from financing activities:		
Advanced fees refunds	(1,921,474)	(1,849,872)
Borrowings on lines of credit, net	1,659,178	500,000
Borrowings from long-term debt	77,242,841	-
Principal payments on long-term debt and capital leases	(73,056,764)	(1,875,984)
Premium received on bonds issued	1,347,750	-
Net cash provided by (used in) financing activities	<u>5,271,531</u>	<u>(3,225,856)</u>
Net increase (decrease) in cash and cash equivalents	2,497,942	(959,217)
Cash, cash equivalents and cash limited as to use, beginning	2,255,414	3,214,631
Cash, cash equivalents and cash limited as to use, ending	<u>\$ 4,753,356</u>	<u>\$ 2,255,414</u>
Supplemental disclosures of cash flow information:		
Cash payments for interest	<u>\$ 2,783,828</u>	<u>\$ 3,754,739</u>
Supplemental disclosures of noncash investing and financing activities:		
Acquisition of property and equipment through incurrence of accounts payable	<u>\$ -</u>	<u>\$ 253,009</u>

See Notes to Combined Financial Statements

EVERYAGE AND AFFILIATES

Notes to Combined Financial Statements

NOTE 1 - NATURE OF BUSINESS

EveryAge is a not-for-profit 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 not-for-profit 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 not-for-profit organization which was established for the purpose of fund development for the capital and operating support of the residential facilities operated by EveryAge, this 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 not-for-profit 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 not-for-profit organization created in 2011 by its parent organization, United Church Homes and Services. 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 have Medicare or Medicaid. 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 funding is unique as PACE receives direct payments from Medicare and Medicaid to provide all 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.

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

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, and the Foundation. All material intercompany accounts and transactions have been eliminated in the combination.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2021, from which the summarized information was derived.

Cash and Cash Equivalents

For purposes of reporting cash flows, 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 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 (Included in Assets Limited as to Use)

Investments are reported at fair value. 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. See Note 3 for discussion of fair value measurements. 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 non-operating 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 \$263,810 and are netted with net realized gains on investments in the combined statement of operations and changes in net assets.

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 statement of activities.

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 year end was \$711,990.

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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

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

	<u>Years</u>
Land improvement	10 - 20
Buildings and improvements	30 - 40
Furniture, fixtures and equipment	5 - 15
Vehicles	5

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. The annual amortization for these deferred financing costs will be approximately \$146,000 for each of the next five years.

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 year end, resident escrow totaled \$342,817.

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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 2 - 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. At year end, advance deposits totaled \$1,278,489.

Deferred Revenue from Advance Fees

Deferred revenue includes the prepayment of rent and fees from residents for future months. 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 periodically, 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 refunds payable. 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 year end, current portion of refunds payable was \$964,296.

Interest Rate Swap Agreement

The Organization uses derivatives 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.

Classification of 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 Reserves

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 year ended September 30, 2022, for those facilities depending on occupancy levels of each facility.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in Net Assets Without Donor Restriction

The combined statement of operations and changes in net assets reflect operating losses. Changes in net assets without donor restrictions that are excluded from operating loss, consistent with industry practice, include realized gains and losses on investments, changes in unrealized gains and losses on investments, investment income, income from estates, wills, trusts and bequests, and contributions.

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 non-routine or additional services are billed monthly in arrears and recognized when the service is provided.

Resident Services

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 activities in the period they become known.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2022.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$251,837.

Functional Expense Allocation

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 expense that is primarily allocated include salaries and benefits which are allocated on the basis of estimates of time and effort.

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.

Subsequent Events

The Organization has evaluated events and transactions for potential recognition or disclosure through December 12, 2022, which is the date the combined financial statements were available to be issued.

NOTE 3 - FAIR VALUE MEASUREMENTS - ASSETS LIMITED AS TO USE

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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 3 - FAIR VALUE MEASUREMENTS - ASSETS LIMITED AS TO USE (Continued)

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.

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:

	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
Total assets at fair value	<u>\$ 68,898,358</u>	<u>\$ 11,186,012</u>	<u>\$ 104,833</u>	<u>\$ 80,189,203</u>

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 3 - FAIR VALUE MEASUREMENTS - ASSETS LIMITED AS TO USE (Continued)

A reconciliation of the beginning and ending balances of the Organization's Level 3 investments is as follows:

Beginning balance	\$ 113,999
Change in value of charitable gift annuities and settlements	<u>(9,166)</u>
Ending balance	<u><u>\$ 104,833</u></u>

Assets limited as to use are allocated as follows:

Board designated quasi-endowment fund	\$ 57,114,833
Trustee deposit accounts required by debt agreement	7,362,659
Operating reserve for Department of Insurance	15,565,940
Beneficial interest in charitable gift annuities	104,833
Residents' funds	40,938
	<u><u>\$ 80,189,203</u></u>

The Organization's investments 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 4 - EQUITY METHOD INVESTMENT

The Organization has a 20% equity interest in Trinity Rehab, LLC. During the year 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, 2022 the Organization received \$120,000 in distributions, and their 20% share of income was \$237,675. The investment as of September 30, 2022 and 2021 was \$1,217,675 and \$0.

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 5 - ASSETS LIQUIDITY

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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 5 - ASSETS LIQUIDITY (Continued)

Financial assets, at year end	\$ 91,186,595
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:	
Restricted cash accounts related to deposits for Lake Prince Renovations	1,027,597
Restricted by donor with purpose restrictions	7,866,098
Assets limited as to use	23,074,370
Board designations: Quasi-endowment fund for long-term investing	<u>57,114,833</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,103,697</u>

The Organization is substantially supported by healthcare 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 6 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Land and improvements	\$ 18,459,813
Buildings and improvements	141,958,467
Furniture, fixtures and equipment	41,262,192
Vehicles	<u>1,685,665</u>
	203,366,137
Less accumulated depreciation	<u>120,598,413</u>
	82,767,724
Construction in progress	<u>4,427,725</u>
	<u>\$ 87,195,449</u>

NOTE 7 - LONG-TERM DEBT

Long-term debt consists of the following:

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 2.26%	\$ 6,540,000
Term bonds due 2047, yielding 2.28%	11,815,000
Term bonds due 2051, yielding 2.59%	3,850,000

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 7 - LONG-TERM DEBT (Continued)

Long-term debt consists of the following (Continued):

Truist Bank	
Direct Bank Term Loan, Series 2021C Due 2023-2046 yielding 4.55%	\$ 29,800,000
Direct Bank Term Loan, Series 2021D Due 2023-2037 yielding 4.55%	18,190,000
Direct Bank Term Loan, Series 2021B Due 2023-2037 yielding 4.55%	3,885,000
Direct Bank Bond, Series 2022 Due 2023-2037 yielding 3.32%	1,102,841
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 2023 - 2026 yielding 2.70% to 3.05%	5,005,000
Term bonds due 2031, yielding 3.5%	<u>11,420,000</u>
	91,607,841
Plus net premium, net of accumulated amortization of \$1,131,891	3,597,527
Less deferred financing cost, net of accumulated amortization of \$1,777,349	<u>2,407,761</u>
	92,797,607
Less current portion	<u>2,575,000</u>
Long-term portion	<u><u>\$ 90,222,607</u></u>

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.

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.

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.

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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 7 - LONG-TERM DEBT (Continued)

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, and 2022 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.

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.

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>Fiscal Year End</u>	<u>Series 2016</u>	<u>Series 2021A</u>	<u>Series 2021B</u>	<u>Series 2021C</u>	<u>Series 2021D</u>	<u>Series 2022</u>	<u>Total</u>
2023	\$ 450,000	\$ -	\$ 335,000	\$ 1,575,000	\$ 215,000	\$ -	\$ 2,575,000
2024	475,000	-	335,000	1,435,000	190,000	-	2,435,000
2025	1,960,000	-	330,000	105,000	110,000	1,102,841	3,607,841
2026	2,120,000	-	325,000	105,000	110,000	-	2,660,000
2027	2,240,000	-	315,000	110,000	115,000	-	2,780,000
Thereafter	9,180,000	22,205,000	2,245,000	26,470,000	17,450,000	-	77,550,000
	<u>\$16,425,000</u>	<u>\$ 22,205,000</u>	<u>\$ 3,885,000</u>	<u>\$ 29,800,000</u>	<u>\$ 18,190,000</u>	<u>\$ 1,102,841</u>	<u>\$ 91,607,841</u>

NOTE 8 - DERIVATIVES

To reduce the impact of changes in interest rates on its variable rate bonds payable, the Association has entered into interest rate swap agreement for the 2021B-D bonds issued after year end. 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, and 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 in the consolidated statement of activities and changes in net assets. The interest rate swap agreement had a notional principal amount of \$59,445,000. The fair value of the interest swap receivable at September 30, 2022 is \$5,703,707.

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.

NOTE 9 - LINE OF CREDIT

The Organization has available a \$5,000,000 unsecured revolving line of credit with Truist due in full in June 2023. Amounts drawn against the line bear interest at the one-month SOFR rate plus 2.00% (5.14% at year end), which is payable monthly. The outstanding amount drawn against this line is \$1,428,751.

The Organization has 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 bear interest at the prime rate less 0.250% (6.00% at year end), which is payable monthly. The line of credit agreement includes certain covenants and restrictions. The outstanding amount drawn against this line is \$730,427.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 10 - CAPITAL LEASES

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:

<u>Years Ending September 30,</u>	
2023	\$ 11,900
	<u>11,900</u>
Less amount representing interest	1,517
Present value of future payments	<u>\$ 10,383</u>

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Benevolent trust	\$ 4,304,176
Capital expansion	<u>3,561,922</u>
	<u>\$ 7,866,098</u>

NOTE 12 - 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 was \$3,254,697.

NOTE 13 - 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 were \$692,654.

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. The Organization contributed \$367,711.

The Organization also has a retirement annuity plan that covers ordained United Church of Christ ministers employed by the Organization. The Organization contributed 10% of the ministers' salary to the plan for a total of \$7,273.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 14 - FUNCTIONAL EXPENSES BY NATURE

The table below presents functional expenses by their nature for the fiscal year:

	Salaries and Benefits	Contracted Services	Utilities	Repairs	Other	Total
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 operating 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
Notes to Combined Financial Statements

NOTE 15 - 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 not-for-profit 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 non-current 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.

NOTE 16 - 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.

EVERYAGE AND AFFILIATES
Notes to Combined Financial Statements

NOTE 16 - RELATED PARTIES (Continued)

- The Willows, a HUD 202 facility in Burlington, North Carolina.
- Elderhaus, Inc. a non-profit PACE program in Wilmington, North Carolina
- Elderhaus at the Lake a non-profit Adult Day Service Program in Wilmington, North Carolina

The Organization provides management and administrative services to the above organizations. Management fee income was \$176,752.

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:

NOAH	\$ 274,098
Covenant Place	23,680
Emmanuel's Place	6,378
St. Joseph's Place	119,460
Carolina Senior Living	5,450
Matthew's Place	17,771
Willows	159,204
Elderhaus, Inc.	217,950
Elderhaus at the Lake	345,106
	<u>\$ 1,169,097</u>

NOTE 17 - 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:

Medicare	30%
Medicaid	9%
Private and other insurances	61%
	<u>100%</u>



Bernard Robinson & Company, L.L.P.

**Independent Auditor's Report
on the Supplementary Information**

To the 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, 2022, and have issued our report thereon dated December 12, 2022, 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, 2022 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.

Bernard Robinson & Company, L.L.P.

Greensboro, North Carolina
December 12, 2022

EVERYAGE AND AFFILIATES
Combining Statement of Financial Position
September 30, 2022

<u>Assets</u>	Corporate Office	Abernethy Laurels	Piedmont Crossing	UCHS Subtotal	Lake Prince Center, Inc.	Total Obligated Group	Foundation	EA Holding	Carolina Senior Care	Combined Total
Current Assets:										
Cash and cash equivalents	\$ 776,672	\$ 1,900	\$ 396	\$ 778,968	\$ 1,000	\$ 779,968	\$ 1,398,170	\$ 10,065	\$ 1,537,555	\$ 3,725,758
Cash and cash equivalents, limited as to use	1,027,597	-	-	1,027,597	-	1,027,597	-	-	-	1,027,597
Accounts receivable, net	-	1,462,457	1,159,489	2,621,946	709,307	3,331,253	(29,893)	-	7,972	3,309,332
Other receivables, net	46,612	333,038	123,830	503,480	91	503,571	299,373	-	14,168	817,112
Current assets limited as to use	-	-	-	-	-	-	-	-	-	-
Due from related parties, current	936,660	-	-	936,660	-	936,660	-	-	4,913	941,573
Other current assets	462,318	173,569	143,941	779,828	112,838	892,666	-	-	74,051	966,717
Total current assets	3,249,859	1,970,964	1,427,656	6,648,479	823,236	7,471,715	1,667,650	10,065	1,638,659	10,788,089
Due from related parties, less current portion	227,524	-	-	227,524	-	227,524	-	-	-	227,524
Assets limited as to use	68,973,116	33,546	6,730	69,013,392	1,474,711	70,488,103	9,610,518	90,582	-	80,189,203
Equity investment	1,217,675	-	-	1,217,675	-	1,217,675	-	-	-	1,217,675
Interest rate swaps	-	4,522,664	1,181,043	5,703,707	-	5,703,707	-	-	-	5,703,707
Other non-current assets	1,176,020	-	-	1,176,020	-	1,176,020	-	-	-	1,176,020
Property and equipment, net	8,720,261	49,233,654	9,158,999	67,112,914	16,873,111	83,986,025	-	2,139,672	1,069,752	87,195,449
Total assets	\$ 83,564,455	\$ 55,760,828	\$ 11,774,428	\$ 151,099,711	\$ 19,171,058	\$ 170,270,769	\$ 11,278,168	\$ 2,240,319	\$ 2,708,411	\$ 186,497,667
Liabilities and Net Assets										
Current Liabilities:										
Lines of credit	\$ 2,159,178	\$ -	\$ -	\$ 2,159,178	\$ -	\$ 2,159,178	\$ -	\$ -	\$ -	\$ 2,159,178
Current portion of long-term debt	-	1,753,700	371,300	2,125,000	450,000	2,575,000	-	-	-	2,575,000
Current portion of capital leases	-	-	-	-	-	-	-	-	10,383	10,383
Accounts payable	455,507	389,259	291,166	1,135,932	638,924	1,774,856	1,599	-	2,545,845	4,322,300
Accrued salaries and related benefits	920,478	1,001,303	879,835	2,801,616	475,291	3,276,907	47,591	-	317,731	3,642,229
Other current payables	69,414	1,192,260	445,721	1,707,395	1,433,601	3,140,996	-	-	969	3,141,965
Due to (from) affiliates	27,615,156	(25,303,695)	3,069,672	5,381,133	(1,754,844)	3,626,289	3,453,487	16,715	(7,096,491)	-
Total current liabilities	31,219,733	(20,967,173)	5,057,694	15,310,254	1,242,972	16,553,226	3,502,677	16,715	(4,221,563)	15,851,055
Long-term Liabilities:										
Long-term debt, less current portion	-	59,087,217	14,448,483	73,535,700	16,686,907	90,222,607	-	-	-	90,222,607
Capital leases, less current portion	-	-	-	-	-	-	-	-	-	-
Long-term refunds payable	-	3,872,475	2,757,559	6,630,034	2,467,250	9,097,284	-	-	-	9,097,284
Deferred revenue from CARES act	-	26,742	-	26,742	-	26,742	-	-	-	26,742
Deferred revenue from advance fees	-	11,091,069	8,837,406	19,928,475	17,108,228	37,036,703	-	-	624,138	37,660,841
Total liabilities	31,219,733	53,110,330	31,101,142	115,431,205	37,505,357	152,936,562	3,502,677	16,715	(3,597,425)	152,858,529
Net Assets:										
Without donor restrictions	52,344,722	2,620,939	(19,326,714)	35,638,947	(18,334,299)	17,304,648	(61,048)	2,223,604	6,305,836	25,773,040
With donor restrictions	-	29,559	-	29,559	-	29,559	7,836,539	-	-	7,866,098
Total net assets	52,344,722	2,650,498	(19,326,714)	35,668,506	(18,334,299)	17,334,207	7,775,491	2,223,604	6,305,836	33,639,138
Total liabilities and net assets	\$ 83,564,455	\$ 55,760,828	\$ 11,774,428	\$ 151,099,711	\$ 19,171,058	\$ 170,270,769	\$ 11,278,168	\$ 2,240,319	\$ 2,708,411	\$ 186,497,667

EVERYAGE AND AFFILIATES
Combining Statement of Operations and Changes in Net Assets Without Donor Restrictions
Year Ended September 30, 2022

	Corporate Office	Abernethy Laurels	Piedmont Crossing	UCHS Subtotal	Lake Prince Center, Inc.	Total Obligated Group	Foundation	EA Holding	Carolina Senior Care	Total	Combined Total
Operating revenues:											
Health care	\$ -	\$ 16,878,255	\$ 8,719,630	\$ 25,597,885	\$ 2,693,438	\$ 28,291,323	\$ -	\$ -	\$ -	\$ 28,291,323	\$ 28,291,323
Pavilion/assisted living	-	903,717	639,259	1,542,976	2,131,889	3,674,865	-	-	-	3,674,865	3,674,865
Residential living	-	5,023,052	4,696,189	9,719,241	4,570,304	14,289,545	-	-	-	14,289,545	14,289,545
Amortization of advance fees	-	1,640,698	1,441,111	3,081,809	2,644,115	5,725,924	-	-	-	5,725,924	5,725,924
Home care	-	414,629	1,477,447	1,892,076	1,554,263	3,446,339	-	-	-	3,446,339	3,446,339
PACE income	-	-	-	-	-	-	-	-	15,741,565	15,741,565	15,741,565
Management fee income	1,173,625	-	-	1,173,625	-	1,173,625	-	-	(996,973)	176,652	176,652
Outside services	-	255,408	35,909	291,317	18,205	309,522	-	-	-	309,522	309,522
Other operating revenue	671,913	149,069	15,425	836,407	(67,886)	768,521	-	-	38,108	806,629	806,629
Total operating revenues	<u>1,845,538</u>	<u>25,264,828</u>	<u>17,024,970</u>	<u>44,135,336</u>	<u>13,544,328</u>	<u>57,679,664</u>	<u>-</u>	<u>-</u>	<u>14,782,700</u>	<u>72,462,364</u>	<u>72,462,364</u>
Operating expenses:											
Health services:											
Health care	-	6,410,570	4,466,456	10,877,026	1,663,847	12,540,873	-	-	-	12,540,873	12,540,873
Medical records	-	70,152	32,813	102,965	40,190	143,155	-	-	-	143,155	143,155
Personnel and employee benefits	1,847,282	3,579,073	2,929,757	8,356,112	1,602,518	9,958,630	77,755	-	20,613	10,056,998	10,056,998
Laundry	-	131,629	105,140	236,769	52,234	289,003	-	-	-	289,003	289,003
Social services	-	110,092	98,084	208,176	54,222	262,398	-	-	-	262,398	262,398
Activities	-	187,571	66,350	253,921	111,427	365,348	-	-	-	365,348	365,348
Spiritual life	-	70,558	59,700	130,258	69,225	199,483	-	-	-	199,483	199,483
Housekeeping	-	611,038	341,944	952,982	233,644	1,186,626	-	-	-	1,186,626	1,186,626
Plant maintenance	-	2,029,808	1,603,716	3,633,524	1,736,019	5,369,543	-	-	-	5,369,543	5,369,543
Residential living	-	349,171	75,773	424,944	23,765	448,709	-	-	-	448,709	448,709
Pavilion/assisted living	-	487,488	209,904	697,392	908,554	1,605,946	-	-	-	1,605,946	1,605,946
Clinic	-	68,598	16,743	85,341	-	85,341	-	-	78,767	164,108	164,108
Resident services	-	46,276	129,805	176,081	78,919	255,000	-	-	-	255,000	255,000
Transportation	-	132,240	40,205	172,445	29,761	202,206	-	-	-	202,206	202,206
Dietary	-	1,976,441	1,398,938	3,375,379	1,006,368	4,381,747	-	-	-	4,381,747	4,381,747
Wellness center	-	121,669	-	121,669	-	121,669	-	-	-	121,669	121,669
Beauty shop	-	-	6,090	6,090	30,388	36,478	-	-	-	36,478	36,478
Day care	300,544	-	-	300,544	-	300,544	-	-	-	300,544	300,544
Home care	-	369,376	1,197,765	1,567,141	711,224	2,278,365	-	-	-	2,278,365	2,278,365
Home health	-	-	-	-	948,323	948,323	-	-	-	948,323	948,323
PACE expenses (including depreciation)	-	-	-	-	-	-	-	-	13,240,712	13,240,712	13,240,712
Outside services	-	22,158	-	22,158	16,691	38,849	-	-	-	38,849	38,849
General and administrative:											
Administrative	3,493,823	778,756	623,274	4,895,853	650,326	5,546,179	236,191	-	-	5,782,370	5,782,370
Marketing	-	303,599	248,824	552,423	331,815	884,238	-	-	-	884,238	884,238
Staff development	-	68,417	16,986	85,403	70,844	156,247	-	-	-	156,247	156,247
Management fees	(3,607,178)	1,546,751	1,205,587	(854,840)	854,840	-	-	-	-	-	-
Depreciation	409,424	3,175,701	1,424,650	5,009,775	1,740,146	6,749,921	-	-	-	6,749,921	6,749,921
Real estate taxes	10,243	-	-	10,243	368,031	378,274	-	16,715	-	394,989	394,989
Interest expense (including amortization)	16,708	1,559,477	222,266	1,798,451	776,735	2,575,186	-	-	-	2,575,186	2,575,186
Insurance	105,147	458,145	314,065	877,357	207,553	1,084,910	-	-	-	1,084,910	1,084,910
Bad debts	-	168,295	108,823	277,118	77,424	354,542	-	-	-	354,542	354,542
Other operating expenses	45,378	243,378	192,385	481,141	140,230	621,371	936	799	23	623,129	623,129
Total operating expense	<u>2,621,371</u>	<u>25,076,427</u>	<u>17,136,043</u>	<u>44,833,841</u>	<u>14,535,263</u>	<u>59,369,104</u>	<u>314,882</u>	<u>17,514</u>	<u>13,340,115</u>	<u>73,041,615</u>	<u>73,041,615</u>
Operating income (loss)	<u>(775,833)</u>	<u>188,401</u>	<u>(111,073)</u>	<u>(698,505)</u>	<u>(990,935)</u>	<u>(1,689,440)</u>	<u>(314,882)</u>	<u>(17,514)</u>	<u>1,442,585</u>	<u>(579,251)</u>	<u>(579,251)</u>
Nonoperating income (loss):											
Contributions and grants	-	-	-	-	-	-	188,311	-	-	188,311	188,311
Contribution expense	(1,313,612)	-	-	(1,313,612)	-	(1,313,612)	-	-	(1,000,000)	(2,313,612)	(2,313,612)
Investment return, net	(10,722,585)	51	14	(10,722,520)	8,549	(10,713,971)	(1,686,699)	(8,882)	-	(12,409,552)	(12,409,552)
Change in fair value of interest swap agreements	-	5,146,319	1,336,542	6,482,861	-	6,482,861	-	-	-	6,482,861	6,482,861
(Gain) loss on sale of property and equipment	-	6,797	-	6,797	6,912	13,709	-	-	14,745	28,454	28,454
Loss on extinguishment of debt	-	(4,632,580)	(1,254,753)	(5,887,333)	-	(5,887,333)	-	-	-	(5,887,333)	(5,887,333)
Other nonoperating income (expense)	-	139,287	42,596	181,883	29,356	211,239	(541,733)	2,250,000	-	1,919,506	1,919,506
Net assets released from restrictions	-	68,763	47,260	116,023	173,206	289,229	541,733	-	-	830,962	830,962
Total nonoperating income	<u>(12,036,197)</u>	<u>728,637</u>	<u>171,659</u>	<u>(11,135,901)</u>	<u>218,023</u>	<u>(10,917,878)</u>	<u>(1,498,388)</u>	<u>2,241,118</u>	<u>(985,255)</u>	<u>(11,160,403)</u>	<u>(11,160,403)</u>
Change in net assets without donor restriction	<u>\$ (12,812,030)</u>	<u>\$ 917,038</u>	<u>\$ 60,586</u>	<u>\$ (11,834,406)</u>	<u>\$ (772,912)</u>	<u>\$ (12,607,318)</u>	<u>\$ (1,813,270)</u>	<u>\$ 2,223,604</u>	<u>\$ 457,330</u>	<u>\$ (11,739,654)</u>	<u>\$ (11,739,654)</u>

Exhibit 4: Proforma Statement of Operations and Assumptions

Summary of Entrance Fee and Monthly Fee Assumptions

RESIDENTIAL LIVING	Monthly Fee *	Residency Fees	
	2023	2023 (a)	2023 (b)
Villa Homes	\$ 2,128	\$ 233,000 – 379,500	\$ 349,500 – 569,250
Cottage	2,472	293,000 – 449,500	439,500 – 674,250
Second person fee	791	--	--
Studio	1,497	66,500 – 83,500	99,750 – 125,250
One Bedroom-One Bath	2,407	75,000 – 111,000	112,500 – 166,500
One Bedroom-Bay	2,407	91,500 - 119,500	137,250 – 179,250
One Bedroom Grand	2,527	137,000	205,500
One Bedroom/Living/Dining	2,527	160,500 – 183,000	240,750 – 274,500
Two Bedroom/Den/Two Baths	2,650	134,000 – 162,000	201,000 – 243,000
Two Bedroom/Bay	2,655	143,000 – 171,000	214,500 – 256,500
Two Bedroom/Two Baths	2,655	163,000 – 180,000	244,500 – 270,000
Two Bedroom Deluxe	2,655	192,500	288,750
Two Bedroom Contemporary	2,775	185,500 – 202,500	278,250 – 303,750
Two Bedroom/Study	2,775	200,000 – 215,000	300,000 – 322,500
Second person fee	907	--	--

* 2023 = fees applicable for contracts signed after October 1, 2022.

- (a) Fully Declining Residency Agreement - amortizes to zero over thirty-six (36) months. Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the residency fee will be reduced by 2.73% of the original residency fee. After month thirty-six (36) of occupancy, the refund will be zero.
- (b) Minimum 50% Refundable Residency Agreement - Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the residency fee will be reduced by 1.212% of the original residency fee. After the thirty-sixth (36th) month of occupancy, the refund will remain at the 50% level. During the life of the Resident at the Community the refund shall not be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.

Lake Prince Center, Inc.

Monthly Fee

Residential Living (Village)	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19
Villa Homes	\$2,128	\$2,008	\$1,935	\$1,870	\$1,816
Cottage	2,472	2,332	2,248	2,172	2,109
Second Person Fee	791	746	724	717	696
Residential Living (Apartments)					
Studio	\$1,497	\$1,412	\$1,368	\$1,328	\$1,289
One Bedroom/One Bath	2,407	2,264	2,189	2,122	2,057
One Bedroom/Bay	2,407	2,264	2,189	2,122	2,057
One Bedroom Grand	2,527	2,384	2,309	2,242	2,177
One Bedroom/Living/Dining	2,527	2,384	2,309	2,242	2,177
Two Bedroom/Den/Two Bath	2,650	2,493	2,411	2,337	2,265
Two Bedroom Bay	2,655	2,498	2,416	2,342	2,270
Two Bedroom/Two Bath	2,655	2,498	2,416	2,342	2,270
Two Bedroom Deluxe	2,655	2,498	2,416	2,342	2,270
Two Bedroom Contemporary	2,775	2,618	2,536	2,462	2,390
Two Bedroom/Study	2,775	2,618	2,536	2,462	2,390
Second Person Fee	907	856	831	823	799

Lake Prince Center, Inc.

Assisted Living and Health Center

Type of Unit	Units	Daily Rate
Assisted Living: Studio	32	\$180/Day
Assisted Living: Single Occupancy	4	\$245/Day
Double Occupancy		\$490/Day
Memory Care Assisted Living	16	\$248/Day
Private Nursing	4	\$324/Day
Companion (Semiprivate) Nursing	36	\$272/Day

DAILY RATE

	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19
Nursing					
Private	\$324	\$306	\$294	\$284	\$276
Companion (Semiprivate)	272	257	247	239	232
Memory Care					
Studio	\$248	\$238	\$233	\$226	\$219
Assisted Living					
Studio	\$180	\$173	\$170	\$165	\$160
One Bedroom Deluxe	245	236	231	224	217

** A Resident occupying two companion (semiprivate) nursing beds will pay the Deluxe Private Suite rate of \$383 per day as shown on the fee schedule.

Lake Prince Center, Inc.

Structure of the Project

Residential Living Units

Type of Unit	# Of Units	Approximate Square Footage
Studio	4	425
One Bedroom/One Bath	18	660
One Bedroom-Bay	4	700
One Bedroom Grand	4	803
One Bedroom/Living/Dining	5	965
Two Bedroom/Den/Two Baths	27	965
Two Bedroom/Bay	8	1,000
Two Bedroom/Two Baths	12	1,075
Two Bedroom Deluxe	2	1,107
Two Bedroom Contemporary	4	1,158
Two Bedroom/Study	4	1,256
Villa Homes	35	1,350 – 1,680
Cottage	55	1,520 – 1,680
Total Residential Living Units	182	

Assisted Living and Health Center

Type of Unit	# Of Units
Assisted Living-Studio	32
Assisted Living-One Bedroom	4
Memory Care Assisted Living	16
Private Nursing	4
Semiprivate Nursing	36
Total Assisted Living and Health Center	92
Campus Total Units	274

Budget Assumptions Report Fiscal Year 2023

1. Occupancy has been projected as follows:

	2023 Available Units	2023 Ending Occupancy	2023 Ending Percentage Occupancy
Healthcare	40	29	72.5%
Memory Care	16	14	87.5%
Assisted Living	36	24	66.7%
Residential Living	182	157	86.3%

2. Monthly fees for current Residential Living Residents, Assisted Living, and Health Care have been increased approximately six percent (6%) on current tier. Memory Care fees have been increased by four percent (4%). Entrance fees for Residential Living have been increased by an average of seven percent (7%) for cottages and villas and five percent (5%) for one and two-bedroom apartments.
3. Reimbursement fees for Medicare are based on current average PDPM fees for FY2023, which is net of two percent (2%) sequestration.
4. Salary and wage increase for employees are budgeted for up to a maximum of four percent (4%) based on performance (merit) on an employee's hire date. Significant wage scale adjustments were made for entry level positions and nursing positions during FY2021 and FY2022.
5. The Capital Budget is projected at \$1,068,562. Items include unit refurbishments, building code changes for Assisted Living, access control software, parking lot paving and striping.
6. Property and Liability premiums are projected to increase by ten percent (10%) over FY2022 expenses.
7. The Finance Department provided budgeted amounts for depreciation expense, interest expense, amortization expense and software costs.
8. Management fees are computed based on six- and one-half percent (6.5%) of budgeted revenue.
9. Employee health insurance premiums and claims budget increased nearly thirty percent (30%) from the FY2022 budget projection.
10. A bonus budget of \$22,231 and a \$196,328 Retirement Plan contribution for eligible employees has been included. The 403(b) Plan contribution varies from one to six percent (1 to 6 %) of salaries based on years of service and presumes a contribution by the employee. Management personnel are allocated an additional five to eleven percent (5 to 11 %) dependent on their position is contributed to the 457(b) plan.
11. Bad Debt expense is anticipated to be \$44,487 for FY2023.
12. Principal payments on debt of \$450,000 has been budgeted for FY2023.
13. Interest Expense is budgeted at \$630,002 for FY2023.

Lake Prince Center, Inc.

Summary of Operating Expense Assumptions

Structure: All operating expense assumptions provided by management are based on actual operating results of similar communities and estimates based on operating expense trends.

Summary of Financing Assumptions

Tax Exempt Bonds: With the issuance of debt, the Organization executed a Master Trust Indenture (MTI) that appointed all the organization's divisions, excluding the Foundation and Carolina SeniorCare, as members of the Obligated Group. Bonds are collateralized by a deed of trust on the land and buildings of the obligated group and the assignment of interest in residency 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.

Under the terms of the bonds, the obligated group is required to maintain certain deposits with the trustee. These 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. Scheduled principal repayments on long-term debt, excluding the net premium on the bonds, for the next five years and thereafter are summarized through the Series 2016, 2021A, 2021B, 2021C, and 2021D and 2022 Bonds Revenue Bonds Due as follows:

FY End	Series 2016	Series 2021A	Series 2021B	Series 2021C	Series 2021D	Series 2022	Total
2023	\$450,000	\$ -	\$335,000	\$ 1,575,000	\$215,000	\$ -	2,575,000
2024	475,000	-	335,000	\$1,435,000	190,000	-	2,435,000
2025	1,960,000	-	330,000	105,000	110,000	1,102,841	3,607,841
2026	2,120,000	-	325,000	105,000	110,000	-	2,660,000
2027	2,240,000	-	315,000	110,000	115,000	-	2,780,000
Thereafter	9,180,000	22,205,000	2,245,000	26,470,000	17,450,000	-	77,550,000
	<u>\$16,425,000</u>	<u>\$22,205,000</u>	<u>\$3,885,000</u>	<u>\$29,800,000</u>	<u>\$18,190,000</u>	<u>\$1,102,841</u>	<u>\$91,607,841</u>

Series 2022 Debt: Lake Prince Center, Inc.:

On September 8, 2022, EveryAge and Lake Prince Center, Inc. closed a \$14 million-dollar direct bank placement with Truist Bank. Proceeds from the Series 2022 transaction will be used by the Lake Prince Woods community to (1) fund a new wellness center, and (2) fund renovations to the interior commons, porte-cochere, and water infrastructure, and (3) pay for certain costs of issuance incurred in connection with the financing.

Lake Prince Center, Inc. *(Projection Only)*
 EveryAge

Projected Statement of Activities and Change in Net Assets

(See Report for Summary of Significant Projection Assumptions)
 For the Year Ending September 30, 2023

Revenue:	
Residential Living	\$ 4,992,788
Assisted Living & Dementia Care	2,713,567
Healthcare	3,934,438
Home Care	0
Entrance Fee Amortization	2,150,570
Other Revenues	174,751
Total Revenue:	\$ 13,966,114
Expenses:	
Healthcare	\$ 1,776,691
Medical Records	41,981
Pavilion/Assisted Living	900,156
Residential Living	40,741
Human Resources	1,770,321
Plant Maintenance	1,642,407
Food Service	1,228,157
Housekeeping and Laundry	334,339
Social Services	57,177
Activities	138,338
Spiritual Life	73,813
Resident Services	106,861
Staff Development	94,970
Transportation	34,992
Marketing	401,161
Beauty shop	28,000
Administration	600,387
Insurance	227,412
Bad debts	46,563
Interest	644,002
Real estate taxes	393,000
Depreciation and Amortization	1,700,110
Management Fees	907,797
Other	127,096
Total Expenses:	\$ 13,316,472
Change In Unrestricted Net Assets	649,642
Net Assets Beginning Year	(17,517,771)
Contribution to unrestricted net assets	-
Unrestricted net assets, end of year	(16,868,129)

Narrative of Material Differences 2022 Data

There were differences between Fiscal Year Ending September 30, 2022, Proforma and actual results. Noteworthy deviations of revenues and expenses are summarized below:

Projected revenue for FY2022 was \$13,747,329. Actual revenue for FY2022 was \$12,151,017, creating a negative variance of (\$1,596,312). This negative variance was primarily due to lower than anticipated revenue in healthcare and assisted living because of lower than anticipated occupancy. The reduction in occupancy was largely due to the ongoing COVID Pandemic.

Projected expenses for FY2022 were \$13,457,625. Actual expenses for FY2022 were \$12,522,275, creating a positive variance of \$935,350. Operating Expenses were reduced in FY2022 primarily because of reduced occupancy and subsequent reduction in variable costs associated with occupancy.

Summary of Financial Information

	<u>2022 Current Year</u>	<u>2021 Prior Year</u>
Total Assets	\$ 19,171,058	\$ 17,366,379
Total Liabilities	37,505,357	34,927,769
Total Net Assets	(18,334,299)	(17,561,390)
Total Revenues	13,554,328	12,288,674
Total Expenses	14,535,263	13,659,392
Operating Income (Loss)	(990,935)	(1,370,718)
Net Income (Loss)	(772,912)	(1,317,785)

(As included in the 2022 EveryAge Consolidated Audit Report, Combining Statement of Operations. Note: In the audit report, Lake Prince Center, Inc. includes the operations of Lake Prince at Home, LLC. Consolidated with Lake Prince Center.)

Narrative on Financial Condition

Lake Prince Woods continues to provide positive cash flow and, as a member of the debt obligated group of EveryAge, continues to meet and/or exceed financial ratios and covenants set forth in bank and bond agreements.

Occupancy Information	Capacity of Units	2022 Average Occupancy	2022 Percentage Occupancy
Residential Living	182	150	82.9%
Assisted Living	52	28	53.85%
Health Center	40	22	55%

Exhibit 5: Entrance and Monthly Fees

Lake Prince Center, Inc. Entrance Fee, and Monthly Fee Schedules

Lake Prince Center, Inc.

Summary of Entrance Fee and Monthly Fee Assumptions

RESIDENTIAL LIVING	Monthly Fee *	Residency Fees	
	2023	2023 (a)	2023 (b)
Villa Homes	\$ 2,128	\$ 233,000 - 379,500	\$ 349,500 - 569,250
Cottage	2,472	293,000 - 449,500	439,500 - 674,250
Second person fee	791	--	--
Studio	1,497	66,500 - 83,500	99,750 - 125,250
One Bedroom-One Bath	2,407	75,000 - 111,000	112,500 - 166,500
One Bedroom-Bay	2,407	91,500 - 119,500	137,250 - 179,250
One Bedroom Grand	2,527	137,000	205,500
One Bedroom/Living/Dining	2,527	160,500 - 183,000	240,750 - 274,500
Two Bedroom/Den/Two Baths	2,650	134,000 - 162,000	201,000 - 243,000
Two Bedroom/Bay	2,655	143,000 - 171,000	214,500 - 256,500
Two Bedroom/Two Baths	2,655	163,000 - 180,000	244,500 - 270,000
Two Bedroom Deluxe	2,655	192,500	288,750
Two Bedroom Contemporary	2,775	185,500 - 202,500	278,250 - 303,750
Two Bedroom/Study	2,775	200,000 - 215,000	300,000 - 322,500
Second person fee	907	--	--

* 2023 = fees applicable for contracts signed after October 1, 2022.

- (a) Fully Declining Residency Agreement - amortizes to zero over thirty-six (36) months. Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the residency fee will be reduced by 2.73% of the original residency fee. After month thirty-six (36) of occupancy, the refund will be zero. During the life of the Resident at the Community, the refund shall not be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.
- (b) Minimum 50% Refundable Residency Agreement - Beginning on day 91, the total portion of the residency fee which remains refundable is reduced to 90% of the original fee. From Day 91 through the end of the 36th month of occupancy, the refundable portion of the residency fee will be reduced by 1.212% of the original residency fee. After the thirty-sixth (36th) month of occupancy, the refund will remain at the 50% level. During the life of the Resident at the Community, the refund shall not be assigned to another party, without an amendment to the Residency Agreement executed by the Resident and the Corporation.

Lake Prince Center, Inc.

Assisted Living and Health Center

Type of Unit	Units	Daily Rate
Assisted Living: Studio	32	\$ 180/Day
Assisted Living: Single Occupancy	4	\$ 245/Day
Double Occupancy		\$ 490/Day
Memory Care Assisted Living	16	\$ 248/Day
Private Nursing Suite	4	\$ 324/Day
Companion (Semiprivate) Nursing Suite	36	\$ 272/Day

DAILY RATE

	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19
Nursing					
Private	324	\$ 306	\$ 294	\$ 284	\$ 276
Companion (Semiprivate) **	272	257	247	239	232
Memory Care					
Studio	248	238	233	226	219
Assisted Living					
Studio	180	173	170	165	160
One Bedroom Deluxe	245	236	231	224	217

** A Resident who occupies two companion (semiprivate) beds will pay the Deluxe Private Suite rate of \$383 per day as shown on the fee schedule.

Exhibit 6: Lake Prince Center, Inc. Fee Schedules

Lake Prince Center, Inc.
Health Center
 Fee Schedule as Of October 1, 2022

Activities

Fees for workshops, trips, programs, and classes will be established according to costs related to the activity.

Laundry Services

Personal Service (per month) \$ 75.00

Clerical/Business Office

(Per half hour, plus supplies)

Administrative Services \$ 20.00

NSF Check Charge 50.00

Late Payment Fee..... 50.00

Duplication beyond 5 pages (per copy)..... .20

Fax Fee..... 2.00

Notary Services..... No Charge

Long-term Care Insurance:

 Initial set up fee.....\$ 70.00

Long-term Care Insurance:

 Monthly filing fee\$ 20.00

Salon

Shampoo and set \$ 26.00

Women's Haircut 22.00

Men's Haircut..... 20.00

Permanent..... 75.00

Color..... 75.00

Other services available at posted prices

Dining Services

Guest Lunch.....Bistro Price

Guest DinnerBistro Price

Child's Plate (under 10 years)..... \$ 9.00

Catering Services Quote upon request

Other services available at posted prices

Nursing Services

Incontinence Program (per day)

Small \$ 11.50

Medium 13.50

Large 14.50

X-Large 16.50

XX-Large 18.50

Bariatric 22.00

Non-routine Nursing Supplies are charged per unit.

Medical

Glucose Testing (per day)\$ 7.00

Oxygen (per day) Concentrator over 5L 12.00

Oxygen Tank (Per Day) Concentrator 5L 11.00

Oxygen Tank Regular (each) 17.00

Transportation Flat Rate (*round trip*)

Obici Hospital.....\$ 50.00

Lake View Clinic..... 48.00

Other Local..... 56.00

Windsor 66.00

Franklin (Limited Schedule) 84.75

Negotiated Trips beyond above are charged by a mileage, plus attendant fee

Weekday Attendant

(Per ½ hour, per attendant)\$ 23.00

Weekend (and holidays) Attendant

(Per ½ hour, per attendant)..... 31.00

(Late Cancellation Fee (*Less than 24 Hr. Notice*)..... 25.00

Car Mileage Fee (per mile)..... 1.50

Bus Mileage Fee (per mile)..... 1.95

Telephone

Local Service (per month).....\$ 25.00

Installation 50.00

Guest Rooms

Guest room per night\$ 100.00

Roll Away Bed per night 10.00

Use Of Common Space

Residents may use common spaces for private gatherings by making reservations with administration. There is no charge for the space.

Set up and clean up:

Per staff person per ½ hour \$ 26.00

Daily Room Fees

Health Center Private Suite \$ 324.00

Health Center Companion Suite 272.00

Deluxe Private Suite 383.00

Note: Arrangements for special services not listed may be made by contacting administration. All supplies will be billed to the resident. Fees subject to change with an advance notice.

Lake Prince Center, Inc.
Assisted Living and Memory Care
 Fee Schedule as of October 1, 2022

Activities

Fees for workshops, trips, programs, and classes will be established according to costs related to the activity.

Laundry Services

Personal Laundry Service (per month) \$ 75.00

Clerical/Business Office

Administrative Services \$ 20.00
 NSF Check Charge 50.00
 Late Payment Fee 50.00
 Duplication beyond 5 pages (per copy)20
 Fax (per page) 2.00
 Notary Services No Charge
 Long-term Care Insurance:
 Initial set up fee \$ 70.00
 Monthly filing fee 20.00

Salon

Shampoo and set \$ 26.00
 Women's Haircut 22.00
 Men's Haircut 20.00
 Permanent 75.00
 Color 75.00

Other services available at posted prices

Dining Services

Guest Lunch Bistro Price
 Guest Dinner Menu Price
 Child's Plate (under 10 years) \$ 9.00
 Catering Services Quote upon request

Other services available at posted prices

Nursing Services

Incontinence Program (per day)
 Small \$ 11.50
 Medium 13.50
 Large 14.50
 X-Large 16.50
 XX-Large 18.50
 Bariatric 22.00

Non-routine Nursing Supplies are charged per unit.

Transportation

Charged by adding attendant fee plus mileage costs

Weekday Attendant
 (Per ½ hour, per attendant) \$ 23.00
 Weekend (and holidays) Attendant
 (Per ½ hour, per attendant) \$ 31.00
 Late Cancellation Fee (*Less than 24-Hr. Notice*) \$25.00
 Car (per mile) 1.50
 Bus (per mile) 1.95

Cable TV (per month) \$ 50.00

Telephone

Local Service (per month) \$ 25.00
 Installation 50.00

Guest Rooms

Guest Room (per night) \$ 100.00
 Roll away bed (per night) 10.00

POS Card Replacement (each) \$ 15.00

Use of Common Space

Residents may use common spaces for private gatherings by making reservations with administration. There is no charge for the space.

Set up and clean up:

Per staff person per half hour \$ 26.00

Daily Room Fees

Assisted Living Studio \$ 180.00
 Assisted Living One Bedroom Deluxe
 Single Occupancy 245.00
 Double Occupancy 490.00
 Memory Care Studio 248.00

Note: Arrangements for special services not listed may be made by contacting administration. Fees subject to change with an advance notice.

Lake Prince Center, Inc.
Residential Living
 Fee Schedule as of October 1, 2022

Activities

Fees for workshops, trips, programs, and classes will be established according to costs related to the activity.

Clerical/Business Office *(Per 1/2 Hour, Plus Supplies)*

Administrative Services	\$ 20.00
NSF Check Fee	50.00
Late Payment Fee	50.00
Duplication beyond five pages (per copy)	0.20
Fax Fee (per page)	2.00
Notary Services	No Charge
Long-term Care Insurance:	
Initial set up fee.....	\$ 70.00
Monthly filing fee	20.00

Salon

Shampoo and set	\$ 26.00
Women's Haircut.....	22.00
Men's Haircut.....	20.00
Permanent.....	75.00
Color	75.00

Other services available at posted prices

Dining Services

Resident Lunch	Bistro Price
Resident Dinner	Menu Price
Guest Lunch	Bistro Price
Guest Dinner Dining Room.....	\$ 15.00
Guest Dinner Bistro.....	Menu Price
Child's Plate (<i>under 10 years</i>).....	\$ 9.00
Special Event Meals.....	Posted Price
Catering Services.....	Quote Upon Request
Meal Delivery (advance notice required)	5.00

Meal Packages (Excludes special meal events)

10 Meals per month	\$ 98.00
20 Meals per month.....	170.00
30 Meals per month.....	240.00

Catered (Support) Services *(1/2 Hour Minimum)*

Per half hour, per staff person	
Laundry	\$ 20.00
Housekeeping.....	22.00
Shopping.....	22.00
Laundry (personal) per month.....	100.00
Maintenance/Gardening.....	25.00

Housekeeping Packages

1 1/2 Hours per Month.....	\$ 52.00
2 Hours per Month.....	71.00
3 Hours per Month.....	85.00
4 Hours per Month.....	97.00
6 Hours per Month.....	139.00
8 Hours per Month.....	169.00
12 Hours per Month	235.00

Key Duplication *(each)*

POS Card Replacement (each)

Personal Alarm Pendant.....

Transportation *(per mile, plus attendant fee)*

Charged by adding attendant fee, plus mileage costs:

Attendant – weekday/per 1/2 hour	\$ 18.00
Attendant – weekend (and holidays)/per 1/2 hour	26.00
Car (per mile).....	1.50
Bus (per mile)	1.95
Onsite Transportation (when Available)	5.00
After Hours Transportation Hospital Return (1/2 hour).....	50.00
Late Cancellation Fee (<i>Less than 24-Hr. Notice</i>).....	25.00

Cable Television/Utilities

Cable TV.....	\$ 50.00
Water/Sewer.....	40.00
Water/ Sewer (double occupancy)	50.00

Telephone for Apartments

Installation	\$ 50.00
Local Service Per Month.....	25.00

Additional TV options billed directly to Resident.

Alexa

Purchase and Installation (one time charge).....	\$40.00
Alexa (per month fee)	10.00

Guest Rooms

Guest room per night.....	\$ 100.00
Rollaway Bed per night.....	10.00

Use of Common Space: Residents may use common spaces for private gatherings by making reservations with administration. There is no charge for the space. Set up and clean up

Per staff person per half hour

Moving (Convenience) Fee: Base fee charged to cost of **refurbishments** needed to unit vacating upon Resident's request to move from one Residential Living Unit (RLU) to another (RLU).

Base fee.....

Clinic (Wellness Nurse) Services: Lake Prince Woods has a Wellness (Clinic) Nurse that is available Monday Through Friday, by appointment. To schedule a clinic visit, please call extension 5798.

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

Lake Prince Center, Inc.
Lake Prince At Home, LLC
 Fee Schedule as of October 1, 2022

Home Care Services:

Home Care Aide: Weekday (per half hour/half hour minimum).....	\$ 27.00
Weekends or Holiday (per half hour, one hour minimum)	31.00
Companion: Weekday (per hour).....	24.00
Weekends or Holiday (per hour)	28.00
Home Care Aide: Weekday (couples per hour).....	37.00
Weekends or Holiday (per hour).....	42.00
Home Care Companion: Weekday (couples per hour).....	32.00
Weekends or Holiday (per hour).....	37.00
*Premium Chart for Short Notice	Rate X 2
Long-term Care Insurance Initial set up fee	70.00
Long-term Care Insurance Monthly filing fee	20.00
Late Payment Fee	50.00
NSF Fee	50.00

Medication Assistance Reminders (per month):

1 time per day	\$ 90.00
2 times per day	120.00
3 times per day	165.00
4 times per day	206.00

Medical Services: (per 1/2 hour)

Coordination of Care	\$ 30.00
Suture Removal.....	25.00
Lab Specimens	25.00
Dressing Changes	21.00
Ear Irrigation.....	21.00
Glucose Testing	20.00
Injections (Other than Flu Vaccine).....	30.00
Pacemaker Check	21.00
Pulse Oxymeter.....	25.00
Bladder Scan.....	22.00

Medical Supplies billed separately

Medication Box: (pre-pour/per fill):

Medication Box for one-week supply	\$ 45.00
Medication Box for two-week supply	55.00
Medication Box for one month	65.00

Other services available at negotiated Fees

Note: Arrangements for special services not listed may be made by contacting administration. Fees are subject to change with an advance notice. *Less 24-hours' notice of service requests. Residents who are not receiving care through Home Health Services have 12 visits a year from October 1st to September 30th. All supplies are billed for visits.