

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

September 30, 2023 and December 31, 2022

Assets	September 30, 2023	December 31, 2022
Cash and cash equivalents	\$ 2,406,041	2,267,284
Investments	443,313	415,445
Restricted deposits and funded reserves	12,414,489	12,822,792
Accounts receivable, net	102,779	157,230
Other assets	3,049,857	2,751,442
Assets held for sale	1,928,936	4,187,517
Property and equipment (net of accumulated depreciation \$61,371,681 and \$57,505,529, respectively)	135,256,434	138,247,323
Due from Presbyterian Senior Living	502,802	—
Total assets	<u>\$ 156,104,649</u>	<u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

September 30, 2023 and December 31, 2022

Liabilities and Net Assets	September 30, 2023	December 31, 2022
Accounts payable	\$ 103,513	160,757
Accrued expenses	4,646,744	6,318,866
Other liabilities	1,434,342	1,487,682
Resident deposits	857,053	879,888
Due to Presbyterian Senior Living	–	80,133
Long-term debt/note to Presbyterian Senior Living	54,935,995	54,749,909
Long-term debt	<u>30,665,295</u>	<u>33,375,878</u>
Total liabilities	<u>92,642,941</u>	<u>97,053,113</u>
Net assets:		
Without donor restriction (including tax credit equity of \$1,008,330 and \$1,641,483, respectively)	63,460,729	63,788,879
With donor restriction	<u>980</u>	<u>7,041</u>
Total net assets	<u>63,461,709</u>	<u>63,795,920</u>
 Total liabilities and net assets	 <u>\$ 156,104,649</u>	 <u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

Quarters ended September 30, 2023 and year ended December 31, 2022

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services		
Resident services	\$ 9,137,777	12,239,102
Net rental income and developer's fees	<u>113,157</u>	<u>194,123</u>
Total resident services	9,250,935	12,433,226
Contributions, grants, gifts and bequests	15,284	59,868
Net assets released from restrictions	<u>11,898</u>	<u>7,073</u>
Total operating revenues and other support	<u>9,278,116</u>	<u>12,500,167</u>
Expenses:		
Social services	502,607	682,279
Building operations and maintenance	4,777,177	6,735,404
Housekeeping	51,949	22,017
General and administrative	2,271,789	3,129,477
Employee benefits	183,573	277,166
Interest	1,222,175	1,597,914
Depreciation	3,755,443	5,052,275
Amortization	<u>62,438</u>	<u>88,725</u>
Total expenses	<u>12,827,152</u>	<u>17,585,257</u>
Unusual non-recurring expenses - Covid-19	<u>300</u>	<u>992</u>
Deficit of revenues and other support over expenses	(3,549,335)	(5,086,082)
Gain on sale and disposal of property	2,004,424	-
Operating loss	<u>(1,544,911)</u>	<u>(5,086,082)</u>
Other income (loss):		
Investment income, net of investment expense	187,409	60,428
Realized gain on investments	-	10,840
Unrealized (loss) gain on investment	<u>21,022</u>	<u>(126,866)</u>
Total other income (loss)	<u>208,431</u>	<u>(55,597)</u>
Deficit of revenues, gains and other support over expenses and losses	(1,336,480)	(5,141,679)
Equity received from tax credit limited partner	<u>1,008,330</u>	<u>1,641,483</u>
Change in net assets without donor restrictions	<u>(328,150)</u>	<u>(3,500,195)</u>
Net Assets With Donor Restrictions:		
Contributions, gifts and bequests	5,837	7,231
Net assets released from restrictions	<u>(11,898)</u>	<u>(7,073)</u>
Change in net assets with donor restriction	<u>(6,061)</u>	<u>158</u>
Change in net assets	(334,211)	(3,500,038)
Net assets, beginning of year	<u>63,795,920</u>	<u>67,295,958</u>
Net assets, end of year	<u>\$ 63,461,708</u>	<u>63,795,920</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Quarters ended September 30, 2023 and year ended December 31, 2022

	<u>General Partner</u>	<u>Investor Limited Partner</u>	<u>Special Limited Partner</u>	<u>Total</u>
Partners' equity, December 31, 2022	\$ 17,042,349	46,517,277	236,294	63,795,920
Contributions	(14,391)	1,051,592	-	1,037,201
Net gain (loss)	<u>2,473,249</u>	<u>(3,809,006)</u>	<u>(35,656)</u>	<u>(1,371,413)</u>
Partners' equity, December 31, 2023	19,501,208	43,759,862	200,639	63,461,708

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

Quarters ended September 30, 2023 and year ended December 31, 2022

	<u>September 30,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (334,211)	(3,500,038)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,755,443	5,052,275
Provision for doubtful collections	9,141	14,676
(Withdrawal) proceeds from entrance fees and deposits	(23,131)	66,199
Unrealized (gain) loss on investments	(21,022)	126,866
(Gain) loss on sale of community and disposals of property and equipment	(2,004,424)	-
Realized gain on investment	-	(10,840)
Amortization of deferred financing costs	8,101	11,064
Change in assets and liabilities:		
Accounts receivable	45,310	(47,490)
Other assets	(298,415)	(1,735,207)
Accounts payable	(56,949)	(1,112,416)
Other liabilities	(53,340)	1,429,318
Accrued expenses	<u>(1,672,122)</u>	<u>(266,032)</u>
Net cash (used in) provided by operating activities	(645,618)	28,373
Cash Flows From Investing Activities:		
Acquisition of property and equipment, net of disposals	(2,801,549)	(3,104,204)
Proceeds from sale of property and equipment	6,300,000	-
Net proceeds from (purchase) sale of investments	<u>401,457</u>	<u>(210,573)</u>
Net cash provided by (used in) investing activities	3,899,908	(3,314,777)
Cash Flows From Financing Activities:		
Principal payments on and redemptions of long-term debt	(877,312)	(1,026,352)
Proceeds from issuance of long-term debt	818,133	4,234,765
Refunding, refinancing, or payoff of long-term debt	(2,473,419)	-
Change in due from/to affiliates	<u>(582,934)</u>	<u>87,085</u>
Net cash (used in) provided by financing activities	<u>(3,115,533)</u>	<u>3,295,498</u>
Net increase in cash and cash equivalents	138,757	9,094
Cash and cash equivalents, beginning of year	<u>2,267,284</u>	<u>2,258,190</u>
Cash and cash equivalents, end of year	<u>\$ 2,406,041</u>	<u>2,267,284</u>