

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

December 31, 2023 and 2022

Assets	2023	2022
Cash and cash equivalents	\$ 2,227,920	2,267,284
Investments	484,925	415,445
Restricted deposits and funded reserves	12,230,796	12,822,792
Accounts receivable, net	119,269	153,230
Other assets	2,541,725	2,755,442
Assets held for sale	—	4,187,517
Property and equipment (net of accumulated depreciation \$62,540,072 and \$57,505,529, respectively)	134,475,920	138,247,323
Due from Presbyterian Senior Living	1,039,478	—
Total assets	<u>\$ 153,120,033</u>	<u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

December 31, 2023 and 2022

Liabilities and Net Assets	2023	2022
Accounts payable	\$ 242,452	160,757
Accrued expenses	4,745,078	6,318,866
Other liabilities	1,412,478	1,487,682
Resident deposits	835,690	879,888
Due to Presbyterian Senior Living	–	80,133
Long-term debt/note to Presbyterian Senior Living	55,198,345	54,749,909
Long-term debt	28,622,770	33,375,878
Total liabilities	<u>91,056,812</u>	<u>97,053,113</u>
Net assets:		
Without donor restriction (including tax credit equity of \$1,008,330 and \$1,641,483, respectively)	62,062,240	63,788,879
With donor restriction	980	7,041
Total net assets	<u>62,063,221</u>	<u>63,795,920</u>
Total liabilities and net assets	<u>\$ 153,120,033</u>	<u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

Year end December 31, 2023 and 2022

Net Assets Without Donor Restrictions	<u>2023</u>	<u>2022</u>
Revenues, gains and other support:		
Resident services		
Resident services	\$ 12,118,046	12,239,102
Net rental income and developer's fees	<u>144,607</u>	<u>194,123</u>
Total resident services	12,262,653	12,433,226
Contributions, grants, gifts and bequests	56,454	59,868
Net assets released from restrictions	<u>12,941</u>	<u>7,073</u>
Total operating revenues and other support	<u>12,332,049</u>	<u>12,500,167</u>
Expenses:		
Social services	670,787	682,279
Building operations and maintenance	6,428,535	6,735,404
Housekeeping	74,384	22,017
General and administrative	3,059,832	3,129,477
Employee benefits	249,074	277,166
Interest	1,630,314	1,597,914
Depreciation	5,024,865	5,052,275
Amortization	<u>83,015</u>	<u>88,725</u>
Total expenses	<u>17,220,807</u>	<u>17,585,257</u>
Unusual non-recurring expenses - Covid-19	<u>338</u>	<u>992</u>
Deficit of revenues and other support over expenses	(4,889,096)	(5,086,082)
Gain on sale and disposal of property	1,965,397	-
Operating loss	<u>(2,923,699)</u>	<u>(5,086,082)</u>
Other income (loss):		
Investment income, net of investment expense	283,724	60,428
Realized gain on investments	-	10,840
Unrealized gain (loss) on investment	58,626	(126,866)
Loss on early extinguishment of debt	<u>(153,620)</u>	<u>-</u>
Total other income (loss)	<u>188,730</u>	<u>(55,597)</u>
Deficit of revenues, gains and other support over expenses and losses	(2,734,969)	(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>(1,726,639)</u>	<u>(3,500,195)</u>
Net Assets With Donor Restrictions:		
Contributions, gifts and bequests	6,880	7,231
Net assets released from restrictions	<u>(12,941)</u>	<u>(7,073)</u>
Change in net assets with donor restriction	<u>(6,061)</u>	<u>158</u>
Change in net assets	(1,732,699)	(3,500,038)
Net assets, beginning of year	<u>63,795,920</u>	<u>67,295,958</u>
Net assets, end of year	<u>\$ 62,063,220</u>	<u>63,795,920</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Year end December 31, 2023 and 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>2,531,955</u>	<u>(5,254,973)</u>	<u>(46,883)</u>	<u>(2,769,901)</u>
Partners' equity, December 31, 2023	19,559,913	42,313,896	189,411	62,063,220

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PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

Year end December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (1,732,699)	(3,500,038)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,024,865	5,052,275
Provision for doubtful collections	25,568	14,676
(Withdrawal) proceeds from entrance fees and deposits	(44,494)	66,199
Unrealized (gain) loss on investments	(58,626)	126,866
Gain on sale of community and disposals of property and equipment	(1,965,397)	-
Realized gain on investment	-	(10,840)
Loss on early extinguishment of debt	153,620	-
(Release) amortization of deferred financing costs	(207,691)	11,064
Change in assets and liabilities:		
Accounts receivable	12,393	(47,490)
Other assets	209,717	(1,735,207)
Accounts payable	81,990	(1,112,416)
Other liabilities	(75,204)	1,429,318
Accrued expenses	<u>(1,573,788)</u>	<u>(266,032)</u>
Net cash (used in) provided by operating activities	(149,746)	28,373
Cash Flows From Investing Activities:		
Acquisition of property and equipment, net of disposals	(5,400,548)	(3,104,204)
Proceeds from sale of property and equipment	10,300,000	-
Net proceeds from sale (purchase) of investments	<u>(0)</u>	<u>(210,573)</u>
Net cash provided by (used in) investing activities	4,899,452	(3,314,777)
Cash Flows From Financing Activities:		
Principal payments on and redemptions of long-term debt	(939,472)	(1,026,352)
Proceeds from issuance of long-term debt	1,245,046	4,234,765
Refunding, refinancing, or payoff of long-term debt	(4,556,175)	-
Change in due from/to affiliates	<u>(1,119,611)</u>	<u>87,085</u>
Net cash (used in) provided by financing activities	<u>(5,370,212)</u>	<u>3,295,498</u>
Net (decrease) increase in cash and cash equivalents	(620,506)	9,094
Cash, cash equivalents and restricted cash, beginning	<u>15,101,747</u>	<u>14,878,843</u>
Cash, cash equivalents and restricted cash, ending	\$ <u>14,481,241</u>	\$ <u>15,101,747</u>
Cash and cash equivalents	2,227,920	2,267,284
Restricted cash in investments	<u>12,253,321</u>	<u>12,834,463</u>
Total cash, cash equivalents and restricted cash	<u>14,481,241</u>	<u>15,101,747</u>