

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2022 and December 31, 2021

Assets	2022	2021
Cash and cash equivalents	\$ 1,793,808	2,258,190
Investments	412,686	524,783
Restricted deposits and funded reserves	12,485,108	12,619,780
Accounts receivable, net	74,197	125,159
Other assets	910,475	1,016,235
Assets held for sale	2,269,143	–
Property and equipment (net of accumulated depreciation \$58,337,221 and \$62,442,282, respectively)	142,381,611	144,382,908
Due from Presbyterian Senior Living	–	6,952
Total assets	<u>\$ 160,327,029</u>	<u>160,934,006</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2022 and December 31, 2021

Liabilities and Net Assets	2022	2021
Accounts payable	\$ 2,497,498	3,391,570
Accrued expenses	1,909,060	1,544,681
Other liabilities	3,083,537	2,981,636
Resident deposits	837,559	813,853
Due to Presbyterian Senior Living	121,911	–
Long-term debt/note to Presbyterian Senior Living	54,277,399	52,065,928
Long-term debt	32,739,923	32,840,381
Total liabilities	<u>95,466,887</u>	<u>93,638,048</u>
Net assets:		
Without donor restriction (including tax credit equity of \$260,770 and \$13,115,211, respectively)	64,853,152	67,289,074
With donor restriction	6,991	6,884
Total net assets	<u>64,860,142</u>	<u>67,295,958</u>
 Total liabilities and net assets	 <u>\$ 160,327,029</u>	 <u>160,934,006</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

Quarters ended June 30, 2022 and year ended December 31, 2021

Net Assets Without Donor Restrictions	<u>2022</u>	<u>2021</u>
Revenues, gains and other support:		
Resident services		
Resident services	\$ 6,019,858	11,906,311
Net rental income and developer's fees	98,613	163,755
Total resident services	6,118,471	12,070,066
Contributions, grants, gifts and bequests	2,397	74,135
Net assets released from restrictions	1,665	7,429
Total operating revenues and other support	<u>6,122,534</u>	<u>12,151,630</u>
Expenses:		
Social services	331,895	628,286
Building operations and maintenance	3,320,786	6,138,585
Housekeeping	13,703	21,612
General and administrative	1,502,360	3,036,086
Employee benefits	134,011	244,981
Interest	791,274	1,683,989
Depreciation	2,576,592	4,935,539
Amortization	40,761	86,455
Total expenses	<u>8,711,382</u>	<u>16,775,532</u>
Deficit of revenues and other support over expenses	(2,588,849)	(4,623,903)
Other income (loss):		
Investment income, net of investment expense	5,813	74,077
Realized gain on investments	10,840	-
Unrealized (loss) gain on investment	(124,496)	9,484
Total other income (loss)	<u>(107,844)</u>	<u>83,560</u>
Deficit of revenues, gains and other support over expenses and losses	(2,696,692)	(4,540,342)
Equity received from tax credit limited partner	260,770	13,115,211
Change in net assets without donor restrictions	<u>(2,435,923)</u>	<u>8,574,868</u>
Net Assets With Donor Restrictions:		
Contributions, gifts and bequests	107	7,529
Net assets released from restrictions	-	(7,429)
Change in net assets with donor restriction	<u>107</u>	<u>100</u>
Change in net assets	(2,435,816)	8,574,968
Net assets, beginning of year	<u>67,295,958</u>	<u>58,720,989</u>
Net assets, end of year	<u>\$ 64,860,142</u>	<u>67,295,958</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Quarters ended June 30, 2022 and year ended December 31, 2021

	<u>Partner</u>	<u>Investor Partner</u>	<u>Special Partner</u>	<u>Total</u>
Partners' equity, December 31, 2021	\$ 16,576,945	50,442,876	276,137	67,295,958
Contributions	(6,928)	340,102	-	333,173
Net gain (loss)	<u>112,058</u>	<u>(2,859,310)</u>	<u>(21,738)</u>	<u>(2,768,989)</u>
Partners' equity, December 31, 2022	16,682,075	47,923,668	254,399	64,860,142

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

Quarters ended June 30, 2022 and year ended December 31, 2021

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (2,435,816)	8,574,968
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,576,592	4,935,539
Provision for doubtful collections	(7,539)	26,069
Proceeds from entrance fees and deposits	23,706	10,177
Unrealized loss (gain) on investments	124,496	(9,484)
Amortization of deferred financing costs	5,549	11,098
Change in assets and liabilities:		
Accounts receivable	58,501	(10,736)
Other assets	105,759	70,897
Accounts payable	(894,072)	132,923
Other liabilities	101,901	258,672
Accrued expenses	364,379	236,202
	<hr/>	<hr/>
Net cash provided by operating activities	12,617	14,236,325
Cash Flows From Investing Activities:		
Acquisition of property and equipment, net of disposals	(2,844,439)	(10,366,034)
Net proceeds from sale of investments	133,112	222,905
	<hr/>	<hr/>
Net cash used in investing activities	(2,711,326)	(10,143,129)
Cash Flows From Financing Activities:		
Principal payments on and redemptions of long-term debt	(836,803)	(1,367,184)
Proceeds from issuance of long-term debt	2,942,267	7,053,567
Refunding, refinancing, or payoff of long-term debt	-	(11,000,000)
Change in due from/to affiliates	128,863	(309,892)
	<hr/>	<hr/>
Net cash provided by (used in) financing activities	2,234,327	(5,623,510)
Net decrease in cash and cash equivalents	(464,382)	(1,530,314)
Cash and cash equivalents, beginning of year	2,258,190	3,788,504
	<hr/>	<hr/>
Cash and cash equivalents, end of year	\$ <u>1,793,808</u>	<u>2,258,190</u>