

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2023 and December 31, 2022

Assets	June 30, 2023	December 31, 2022
Cash and cash equivalents	\$ 2,216,781	2,267,284
Investments	457,120	415,445
Restricted deposits and funded reserves	12,539,626	12,822,792
Accounts receivable, net	151,458	157,230
Other assets	2,290,706	2,751,442
Assets held for sale	1,920,844	4,187,517
Property and equipment (net of accumulated depreciation \$60,110,013 and \$57,505,529, respectively)	136,290,034	138,247,323
Due from Presbyterian Senior Living	1,121,492	—
Total assets	<u>\$ 156,988,061</u>	<u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

June 30, 2023 and December 31, 2022

Liabilities and Net Assets	June 30, 2023	December 31, 2022
Accounts payable	\$ 243,458	160,757
Accrued expenses	5,665,339	6,318,866
Other liabilities	1,459,162	1,487,682
Resident deposits	839,568	879,888
Due to Presbyterian Senior Living	–	80,133
Long-term debt/note to Presbyterian Senior Living	54,673,482	54,749,909
Long-term debt	<u>30,693,876</u>	<u>33,375,878</u>
Total liabilities	<u>93,574,884</u>	<u>97,053,113</u>
Net assets:		
Without donor restriction (including tax credit equity of \$-67,920 and \$1,641,483, respectively)	63,412,102	63,788,879
With donor restriction	<u>1,075</u>	<u>7,041</u>
Total net assets	<u>63,413,177</u>	<u>63,795,920</u>
 Total liabilities and net assets	 <u>\$ 156,988,061</u>	 <u>160,849,033</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

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

	June 30, 2023	December 31, 2022
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services		
Resident services	\$ 6,042,157	12,239,102
Net rental income and developer's fees	69,615	194,123
Total resident services	6,111,772	12,433,226
Contributions, grants, gifts and bequests	500	59,868
Net assets released from restrictions	9,014	7,073
Total operating revenues and other support	6,121,287	12,500,167
Expenses:		
Social services	335,706	682,279
Building operations and maintenance	3,223,723	6,735,404
Housekeeping	34,740	22,017
General and administrative	1,566,174	3,129,477
Employee benefits	122,250	277,166
Interest	817,052	1,597,914
Depreciation	2,504,091	5,052,275
Amortization	41,861	88,725
Total expenses	8,645,596	17,585,257
Unusual non-recurring expenses - Covid-19	121	992
Deficit of revenues and other support over expenses	(2,524,431)	(5,086,082)
Gain on sale and disposal of property	2,093,376	-
Operating loss	(431,054)	(5,086,082)
Other income (loss):		
Investment income, net of investment expense	84,898	60,428
Realized gain on investments	-	10,840
Unrealized (loss) gain on investment	37,299	(126,866)
Total other loss	122,198	(55,597)
Deficit of revenues, gains and other support over expenses and losses	(308,857)	(5,141,679)
Equity (paid) received from tax credit limited partner	(67,920)	1,641,483
Change in net assets without donor restrictions	(376,777)	(3,500,195)
Net Assets With Donor Restrictions:		
Contributions, gifts and bequests	3,048	7,231
Net assets released from restrictions	(9,014)	(7,073)
Change in net assets with donor restriction	(5,966)	158
Change in net assets	(382,743)	(3,500,038)
Net assets, beginning of year	63,795,920	67,295,958
Net assets, end of year	\$ 63,413,177	63,795,920

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Quarters ended June 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)	(24,658)	-	(39,049)
Net gain (loss)	<u>2,340,183</u>	<u>(2,661,658)</u>	<u>(22,219)</u>	<u>(343,694)</u>
Partners' equity, December 31, 2023	19,368,141	43,830,960	214,075	63,413,177

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

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

	<u>June 30,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (382,743)	(3,500,038)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,504,091	5,052,275
Provision for doubtful collections	3,442	14,676
(Withdrawal) proceeds from entrance fees and deposits	(40,616)	66,199
Unrealized (gain) loss on investments	(37,299)	126,866
(Gain) loss on sale of community and disposals of property and equipment	(2,093,376)	-
Realized gain on investment	-	(10,840)
Amortization of deferred financing costs	5,400	11,064
Change in assets and liabilities:		
Accounts receivable	2,330	(47,490)
Other assets	460,736	(1,735,207)
Accounts payable	82,996	(1,112,416)
Other liabilities	(28,520)	1,429,318
Accrued expenses	<u>(653,528)</u>	<u>(266,032)</u>
Net cash (used in) provided by operating activities	(177,087)	28,373
Cash Flows From Investing Activities:		
Acquisition of property and equipment, net of disposals	(2,486,753)	(3,104,204)
Proceeds from sale of property and equipment	6,300,000	-
Net proceeds from (purchase) sale of investments	<u>278,790</u>	<u>(210,573)</u>
Net cash provided by (used in) investing activities	4,092,038	(3,314,777)
Cash Flows From Financing Activities:		
Principal payments on and redemptions of long-term debt	(987,959)	(1,026,352)
Proceeds from issuance of long-term debt	545,709	4,234,765
Refunding, refinancing, or payoff of long-term debt	(2,321,580)	-
Change in due from/to affiliates	<u>(1,201,625)</u>	<u>87,085</u>
Net cash (used in) provided by financing activities	<u>(3,965,454)</u>	<u>3,295,498</u>
Net (decrease) increase in cash and cash equivalents	(50,503)	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>\$ 2,216,781</u>	<u>2,267,284</u>