

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

March 31, 2019 and December 31, 2018

Assets	March 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 2,059,292	2,432,533
Investments	339,546	329,664
Restricted deposits and funded reserves	12,438,001	12,370,857
Accounts receivable, net	46,880	61,716
Prepaid expenses and other current assets	853,331	394,356
Property and equipment (net of accumulated depreciation \$48,991,449 and \$50,070,312, respectively)	122,108,580	123,024,962
Finance leases (net of accumulated depreciation \$16,953 and \$14,432, respectively)	11,813	12,846
Assets under operating leases	49,120	57,266
Other assets	<u>2,345,956</u>	<u>2,366,497</u>
Total assets	<u>\$ 140,252,519</u>	<u>141,050,697</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Financial Position

March 31, 2019 and December 31, 2018

Liabilities and Net Assets	March 31, 2019	December 31, 2018
	<u> </u>	<u> </u>
Accounts payable	\$ 1,394,226	1,638,072
Accrued expenses	1,155,898	1,303,103
Accrued interest	2,215,081	2,161,559
Resident deposits	721,734	708,168
Due to Presbyterian Senior Living	3,325,151	3,120,450
Obligations under financing leases	11,426	12,570
Long-term debt/note to Presbyterian Senior Living	40,181,596	40,012,830
Long-term debt	32,648,656	32,607,790
Obligations under operating leases	49,120	57,266
Total liabilities	<u>81,702,889</u>	<u>81,621,808</u>
Net assets:		
Without donor restriction (including tax credit equity of \$273,419 and \$5,733,195, respectively)	58,542,848	59,422,106
With donor restriction	6,782	6,783
Total net assets	<u>58,549,631</u>	<u>59,428,889</u>
Total liabilities and net assets	<u>\$ 140,252,519</u>	<u>141,050,697</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statement of Operations and Change in Net Assets

Quarter ended March 31, 2019 and year ended December 31, 2018

	March 31, 2019	December 31, 2018
	<u> </u>	<u> </u>
Revenues and other support		
Resident services		
Resident services	\$ 2,616,155	9,975,440
Sales of other services and materials	-	9,491
Net rental income and developer's fees	32,386	531,160
Total resident services revenue	<u>2,648,541</u>	<u>10,516,091</u>
Contributions, grants, gifts and bequests	2,419	215,157
Net assets released from restrictions	<u>-</u>	<u>40</u>
Total revenues and other support	<u>2,650,960</u>	<u>10,731,288</u>
Costs of services provided		
Social services	125,929	546,980
Building operations and maintenance	1,501,526	5,620,858
Housekeeping	2,422	25,348
General and administrative	602,854	2,551,294
Employee benefits	103,631	389,999
Interest	331,981	1,305,971
Depreciation	1,141,602	4,322,825
Amortization	21,037	95,069
Fundraising and investment fee	<u>309</u>	<u>1,392</u>
Total cost of services provided	<u>3,831,291</u>	<u>14,859,736</u>
Deficit of revenues and other support over expenses	(1,180,331)	(4,128,447)
Other income (expense)		
Investment income, net of investment expense	19,241	91,149
Realized loss on investments	(47)	(13,349)
Unrealized gain (loss) on investment	8,459	(32,381)
Total other income	<u>27,653</u>	<u>45,419</u>
Deficit of revenues, gains and other support over expenses and losses	(1,152,677)	(4,083,029)
Net Assets without donor restrictions:		
Deficit of revenues, gains and other support over expenses and losses	(1,152,677)	(4,083,029)
Equity received from tax credit limited partner	<u>273,419</u>	<u>5,733,195</u>
Change in net assets without donor restrictions	<u>(879,258)</u>	<u>1,650,166</u>
Net assets with donor restriction:		
Net assets released from restrictions	<u>-</u>	<u>(40)</u>
Change in net assets with donor restriction	<u>-</u>	<u>(40)</u>
Change in net assets	(879,258)	1,650,126
Net assets, beginning of year	<u>59,428,889</u>	<u>57,778,763</u>
Net assets, end of year	<u>\$ 58,549,631</u>	<u>59,428,889</u>

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Combined Statement of Partners' Equity

Quarter ended March 31, 2019 and year ended December 31, 2018

	<u>General Partner</u>	<u>Investor Limited Partner</u>	<u>Special Limited Partner</u>	<u>Total</u>
Partners' equity, December 31, 2018	\$ 11,759,680	47,243,164	426,045	59,428,889
Contributions	-	273,419	-	273,419
Net gain (loss)	<u>138,502</u>	<u>(1,275,877)</u>	<u>(15,301)</u>	<u>(1,152,677)</u>
Partners' equity, December 31, 2019	11,898,181	46,240,706	410,744	58,549,631

PRESBYTERIAN SENIOR LIVING - AFFORDABLE HOUSING

Consolidated Statements of Cash Flows

Quarter ended March 31, 2019 and year ended December 31, 2018

	<u>March 31,</u> <u>2019</u>	<u>December 31,</u> <u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$ (879,258)	1,650,126
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,141,602	4,322,825
Bad debt write-offs	(58)	34,390
Net proceeds from entrance fees and deposits	13,566	60,286
Unrealized (gain) loss on investments	(8,459)	32,381
Realized loss on investment	47	13,349
Amortization of other deferred costs	21,037	95,069
Amortization of deferred financing costs	3,004	29,132
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	14,893	(18,794)
Increase in other assets	(459,452)	(100,394)
Decrease in accounts payable	(243,846)	(1,780,901)
(Decrease) increase in accrued expenses	(93,682)	472,136
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Net cash (used in) provided by operating activities	(490,606)	4,809,606
Cash flows from investing activities:		
Acquisition of property and equipment, net of disposals	(221,718)	(7,037,761)
Net proceeds from investments	(68,614)	(1,166,161)
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Net cash used in investing activities	(290,332)	(8,203,922)
Cash flows from financing activities:		
Principal payments on and redemptions of long-term debt	(76,753)	(2,693,089)
Proceeds from issuance of long-term debt	283,380	9,712,533
Refunding, refinancing, or payoff of long-term debt	-	(4,195,688)
Borrowings through capital lease obligations	-	14,334
Repayments on finance lease obligations	(1,163)	(3,196)
Borrowings through operating lease obligations	5,676	-
Repayments on operating lease obligations	(8,146)	-
Net decrease (increase) in due to	204,702	(58,649)
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Net cash provided by financing activities	407,697	2,776,245
Net decrease in cash and cash equivalents	(373,242)	(618,072)
Cash and cash equivalents, beginning of year	<hr/>	<hr/>
	2,432,533	3,050,605
Cash and cash equivalents, end of year	<hr/> <hr/>	<hr/> <hr/>
	\$ 2,059,292	2,432,533