

## Presbyterian Senior Living

### Statements of Financial Position

December 31, 2025 and December 31, 2024

|                                         | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
|-----------------------------------------|--------------------------|--------------------------|
| <b>Assets</b>                           |                          |                          |
| Cash and cash equivalents               | \$ 7,850,508             | \$ 15,007,790            |
| Investments                             | 182,855,859              | 133,117,948              |
| Statutory Liquid Reserve                | 17,316,670               | 17,063,087               |
| Restricted deposits and funded reserves | 12,778,173               | 12,647,145               |
| Accounts receivable, net                | 20,030,128               | 18,888,696               |
| Assets whose use is limited             | 22,704,429               | 31,060,764               |
| Assets held for sale                    | 4,930,274                | -                        |
| Property and equipment, net             | 613,351,953              | 619,625,404              |
| Funds held in trust by others           | 20,856,407               | 19,953,487               |
| Goodwill                                | 30,597,098               | 34,973,006               |
| Other assets                            | 15,274,818               | 12,126,498               |
|                                         | <u>948,546,317</u>       | <u>914,463,826</u>       |
| Total assets                            | <u>\$ 948,546,317</u>    | <u>\$ 914,463,826</u>    |
| <b>Liabilities and Net Assets</b>       |                          |                          |
| Accounts payable                        | \$ 10,836,047            | \$ 9,756,389             |
| Accrued expenses                        | 26,632,553               | 26,810,568               |
| Lines of credit                         | 20,446,959               | 11,306,477               |
| Resident deposits                       | 5,450,344                | 4,505,426                |
| Entrance fees payable                   | 30,878,148               | 28,107,473               |
| Other liabilities                       | 8,598,696                | 9,978,223                |
| Long-term debt, senior living           | 345,174,831              | 354,333,061              |
| Long-term debt, low income housing      | 27,783,965               | 27,673,552               |
| Deferred revenue from entrance fees     | 185,413,054              | 175,108,892              |
|                                         | <u>661,214,597</u>       | <u>647,580,062</u>       |
| Total liabilities                       | <u>661,214,597</u>       | <u>647,580,062</u>       |
| <b>Net Assets</b>                       |                          |                          |
| Without donor restriction               | 253,473,904              | 234,511,454              |
| With donor restriction                  | 33,857,816               | 32,372,310               |
| Total net assets                        | <u>287,331,720</u>       | <u>266,883,764</u>       |
| Total liabilities and net assets        | <u>\$ 948,546,317</u>    | <u>\$ 914,463,826</u>    |

## Presbyterian Senior Living

### Statements of Operations and Changes in Net Assets

Period ended December 31, 2025 and year ended December 31, 2024

|                                                   | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
|---------------------------------------------------|--------------------------|--------------------------|
| <b>Net Assets Without Donor Restrictions</b>      |                          |                          |
| Revenues, gains and other support:                |                          |                          |
| Resident services:                                |                          |                          |
| Resident services                                 | \$ 272,753,124           | \$ 264,853,529           |
| Amortization of entrance fees                     | 27,614,782               | 23,211,745               |
| Total resident services                           | <u>300,367,906</u>       | <u>288,065,275</u>       |
| Sales of other services and materials             | 3,097                    |                          |
| Net rental income and developers' fees            | 155,943                  | 164,089                  |
| Contributions, gifts, grants and bequests         | 711,594                  | 2,095,538                |
| Government stimulus                               | -                        | 724,297                  |
| Other revenues                                    | 331,480                  | -                        |
| Net assets released from restrictions             | <u>1,297,715</u>         | <u>664,249</u>           |
| Total operating revenues and other support        | <u>302,867,735</u>       | <u>291,713,448</u>       |
| Expenses:                                         |                          |                          |
| Nursing services                                  | 72,228,138               | 73,257,783               |
| Rehabilitation                                    | 22,016,991               | 17,605,833               |
| Recreation and special services                   | 5,608,484                | 5,447,181                |
| Pharmacy                                          | 2,446,318                | 2,485,787                |
| Social Services                                   | 1,706,659                | 1,580,363                |
| Physician Services                                | 371,383                  | 390,102                  |
| Dining Services                                   | 31,835,035               | 30,299,748               |
| Building operations and maintenance               | 47,682,440               | 43,524,644               |
| Housekeeping                                      | 5,283,224                | 4,913,662                |
| Laundry                                           | 1,351,191                | 1,453,201                |
| Management and general                            | 42,886,188               | 41,843,136               |
| Employee Benefits                                 | 14,439,111               | 16,117,715               |
| Interest                                          | 17,505,019               | 18,034,533               |
| Depreciation                                      | 37,213,772               | 34,347,023               |
| Amortization                                      | 4,449,125                | 4,599,250                |
| Fundraising                                       | <u>1,169,921</u>         | <u>852,661</u>           |
| Total expenses before non-recurring expenses      | <u>308,192,997</u>       | <u>296,752,624</u>       |
| Operating loss before gains and losses            | (5,325,262)              | (5,039,177)              |
| (Loss) gain on sale and disposal of property      | (157,509)                | 540,677                  |
| Loss on impairment of asset                       | <u>-</u>                 | <u>(102,723)</u>         |
| Operating loss                                    | <u>(5,482,771)</u>       | <u>(4,601,223)</u>       |
| Other income (loss):                              |                          |                          |
| Investment income, net of investment expense      | 6,679,731                | 6,643,179                |
| Realized gain on investments                      | 1,460,655                | 1,081,393                |
| Unrealized gain on investments                    | 16,287,780               | 7,272,089                |
| Loss on early extinguishment of debt              | <u>-</u>                 | <u>(27,594)</u>          |
| Total other income                                | <u>24,428,167</u>        | <u>14,969,067</u>        |
| Revenues in excess of expenses                    | 18,945,396               | 10,367,844               |
| Equity received from tax credit partners          | <u>17,054</u>            | <u>123,982</u>           |
| Increase in net assets without donor restrictions | <u>18,962,450</u>        | <u>10,491,826</u>        |

**Presbyterian Senior Living**

## Statements of Operations and Changes in Net Assets

Period ended December 31, 2025 and year ended December 31, 2024

|                                                | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
|------------------------------------------------|--------------------------|--------------------------|
| <b>Net Assets With Donor Restrictions</b>      |                          |                          |
| Contributions, gifts, grants and bequests      | 1,155,668                | 1,214,059                |
| Investment income, net of investment expense   | 180,837                  | 117,214                  |
| Unrealized gain on investments                 | 1,446,716                | 1,410,235                |
| Net assets released from restrictions          | <u>(1,297,715)</u>       | <u>(664,249)</u>         |
| Increase in net assets with donor restrictions | <u>1,485,506</u>         | <u>2,077,259</u>         |
| Increase in net assets                         | 20,447,956               | 12,569,086               |
| <b>Net Assets, Beginning</b>                   | <u>266,883,764</u>       | <u>254,314,678</u>       |
| <b>Net Assets, Ending</b>                      | <u>\$ 287,331,720</u>    | <u>\$ 266,883,764</u>    |

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**Presbyterian Senior Living**

## Statements of Cash Flows

Period ended December 31, 2025 and year ended December 31, 2024

|                                                                                                                             | <u>December 31, 2025</u> | <u>December 31, 2024</u> |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>Cash Flows From Operating Activities</b>                                                                                 |                          |                          |
| Increase in net assets                                                                                                      | \$ 20,447,956            | \$ 12,569,088            |
| Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities |                          |                          |
| Depreciation                                                                                                                | 37,213,772               | 34,347,023               |
| Provision for doubtful collections                                                                                          | 1,510,017                | 1,780,390                |
| Proceeds from non-refundable fees and deposits                                                                              | 46,312,052               | 39,935,047               |
| Amortization of entrance fees                                                                                               | (27,614,782)             | (23,211,745)             |
| Loss on early extinguishment of debt                                                                                        | -                        | 27,594                   |
| Unrealized gain on investments and change in fair value of funds held in trust by others                                    | (17,734,496)             | (8,682,323)              |
| Realized gain on investments                                                                                                | (1,460,655)              | (1,081,393)              |
| Loss (gain) on sale of community and disposals of property and equipment                                                    | 157,509                  | (540,677)                |
| Equity received from tax credit partners                                                                                    | (17,054)                 | (123,982)                |
| Contributions restricted for long-term purposes                                                                             | (115,015)                | (187,304)                |
| Amortization of deferred financing costs                                                                                    | 224,344                  | 267,928                  |
| Amortization of bond premium                                                                                                | (399,903)                | (457,028)                |
| Amortization of bond discount                                                                                               | 173,219                  | 173,255                  |
| Amortization of goodwill                                                                                                    | 4,375,908                | 4,517,208                |
| Loss on impairment of asset                                                                                                 | -                        | 102,723                  |
| Changes in assets and liabilities                                                                                           |                          |                          |
| Accounts receivable                                                                                                         | (1,623,244)              | (368,008)                |
| Entrance fee receivable                                                                                                     | (1,028,205)              | (994,629)                |
| Other assets                                                                                                                | (3,148,320)              | 45,195                   |
| Accounts payable                                                                                                            | 1,079,659                | (1,793,321)              |
| Accrued expenses                                                                                                            | (178,015)                | 801,016                  |
| Other liabilities                                                                                                           | (1,379,528)              | 458,791                  |
| Net cash provided by operating activities                                                                                   | <u>56,795,218</u>        | <u>57,584,846</u>        |
| <b>Cash Flows From Investing Activities</b>                                                                                 |                          |                          |
| Acquisition of property and equipment                                                                                       | (36,028,104)             | (39,690,357)             |
| Proceeds from sale of property and equipment                                                                                | -                        | 5,600,000                |
| Purchases of investments                                                                                                    | (51,296,488)             | (33,152,850)             |
| Proceeds from sale of investments                                                                                           | <u>32,440,235</u>        | <u>29,849,327</u>        |
| Net cash used in investing activities                                                                                       | <u>(54,884,357)</u>      | <u>(37,393,880)</u>      |
| <b>Cash Flows From Financing Activities</b>                                                                                 |                          |                          |
| Refunds of entrance fees and deposits                                                                                       | (7,443,789)              | (7,393,125)              |
| Proceeds from refundable entrance fees and deposits, resales                                                                | 2,766,275                | 4,491,518                |
| Proceeds from refundable entrance fees and deposits, new units                                                              | -                        | 4,892,813                |
| Principal payments on redemptions of long-term debt                                                                         | (9,202,062)              | (10,951,757)             |
| Proceeds from issuance of long-term debt                                                                                    | 156,584                  | 10,018                   |
| Early payoff of long-term debt                                                                                              | -                        | (1,488,060)              |
| Financing costs incurred                                                                                                    | -                        | (99,585)                 |
| Borrowings (repayment) borrowings on lines of credit                                                                        | 9,140,482                | (10,877,915)             |
| Equity received from tax credit partners                                                                                    | 17,054                   | 123,982                  |
| Contributions restricted for long-term purposes                                                                             | <u>115,015</u>           | <u>187,304</u>           |
| Net cash used in financing activities                                                                                       | <u>(4,450,441)</u>       | <u>(21,104,808)</u>      |
| Net change in cash, cash equivalents and restricted cash                                                                    | (2,539,580)              | (913,842)                |
| <b>Cash, cash equivalents and restricted cash, beginning</b>                                                                | <u>80,042,237</u>        | <u>80,956,079</u>        |
| <b>Cash, cash equivalents and restricted cash, ending</b>                                                                   | <u>\$ 77,502,657</u>     | <u>\$ 80,042,237</u>     |
| Cash and cash equivalents                                                                                                   | \$ 7,850,508             | \$ 15,007,790            |
| Restricted cash in investments                                                                                              | 69,652,149               | 65,034,447               |
| Total cash, cash equivalents and restricted cash                                                                            | <u>\$ 77,502,657</u>     | <u>\$ 80,042,237</u>     |