

Presbyterian Senior Living

Statements of Financial Position

September 30, 2026 and December 31, 2025

	<u>September 30, 2026</u>	<u>December 31, 2025</u>
Assets		
Cash and cash equivalents	\$ 9,011,372	\$ 7,852,906
Investments	193,953,268	176,962,524
Statutory liquid reserve	17,954,376	17,316,670
Restricted deposits and funded reserves	12,781,612	12,778,173
Accounts receivable, net	19,209,995	20,027,730
Assets whose use is limited	14,631,446	22,704,429
Assets held for sale	3,195,594	3,135,000
Property and equipment, net	612,417,806	615,147,227
Funds held in trust by others	21,254,983	20,856,407
Goodwill	27,421,143	30,597,098
Other assets	<u>16,315,157</u>	<u>15,274,817</u>
Total assets	<u>\$ 948,146,752</u>	<u>\$ 942,652,981</u>
Liabilities and Net Assets		
Accounts payable	7,667,078	\$ 10,836,048
Accrued expenses	26,535,309	26,632,553
Lines of credit	17,766,554	20,446,959
Resident deposits	5,727,155	5,450,344
Entrance fees payable	32,125,247	30,878,148
Other liabilities	8,909,864	8,598,696
Long-term debt, senior living	337,123,749	345,174,831
Long-term debt, low income housing	27,913,073	27,783,965
Deferred revenue from entrance fees	<u>188,934,666</u>	<u>185,413,054</u>
Total liabilities	<u>652,702,695</u>	<u>661,214,597</u>
Net Assets		
Without donor restriction	260,585,410	247,580,568
With donor restriction	<u>34,858,647</u>	<u>33,857,816</u>
Total net assets	<u>295,444,057</u>	<u>281,438,384</u>
Total liabilities and net assets	<u>\$ 948,146,752</u>	<u>\$ 942,652,981</u>

Presbyterian Senior Living

Statements of Operations and Changes in Net Assets

Period ended September 30, 2026 and year ended December 31, 2025

	September 30, 2026	December 31, 2025
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	214,400,191	\$ 272,753,124
Amortization of entrance fees	20,238,981	27,614,782
Total resident services	234,639,171	300,367,906
Sales of other services and materials	3,097	3,097
Net rental income and developers' fees	91,022	155,943
Contributions, gifts, grants and bequests	850,020	711,594
Other revenues	-	331,480
Net assets released from restrictions	432,228	1,297,715
Total operating revenues and other support	236,015,539	302,867,735
Expenses:		
Nursing services	56,461,981	72,228,138
Rehabilitation	18,031,820	22,016,991
Recreation and special services	4,800,962	5,608,484
Pharmacy	1,659,818	2,446,318
Social Services	1,333,287	1,706,659
Physician Services	251,343	371,383
Dining Services	25,806,916	31,835,035
Building operations and maintenance	37,152,463	47,682,440
Housekeeping	4,252,709	5,283,224
Laundry	1,058,192	1,351,191
Management and general	35,751,933	42,886,189
Employee Benefits	8,303,883	14,439,111
Interest	13,020,299	17,505,019
Depreciation	28,304,166	37,213,772
Amortization	3,212,731	4,449,125
Fundraising	699,755	1,169,921
Total expenses before non-recurring expenses	240,102,258	308,192,998
Operating loss before gains and losses	(4,086,719)	(5,325,263)
Loss on sale and disposal of property	(36,272)	(157,509)
Operating loss	(4,122,991)	(5,482,772)
Other income:		
Investment income, net of investment expense	4,455,622	6,679,731
Realized gain on investments	35,942	1,460,655
Unrealized gain on investments	12,658,804	10,394,445
Loss on early extinguishment of debt	(45,454)	-
Total other income	17,104,914	18,534,832
Revenues in excess of expenses	12,981,924	13,052,060
Equity received from tax credit partners	22,918	17,054
Increase in net assets without donor restrictions	13,004,842	13,069,114

Presbyterian Senior Living

Statements of Operations and Changes in Net Assets

Period ended September 30, 2026 and year ended December 31, 2025

	<u>September 30, 2026</u>	<u>December 31, 2025</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	1,217,630	1,155,668
Investment income, net of investment expense	188,394	180,837
Unrealized gain on investments	27,035	1,446,716
Net assets released from restrictions	<u>(432,228)</u>	<u>(1,297,715)</u>
Increase in net assets with donor restrictions	<u>1,000,831</u>	<u>1,485,506</u>
Increase in net assets	14,005,673	14,554,620
Net Assets, Beginning	<u>281,438,384</u>	<u>266,883,764</u>
Net Assets, Ending	<u>295,444,057</u>	<u>\$ 281,438,384</u>

Presbyterian Senior Living

Statements of Cash Flows

Period ended September 30, 2026 and year ended December 31, 2025

	September 30, 2026	December 31, 2025
Cash Flows From Operating Activities		
Increase in net assets	14,005,673	\$ 14,554,620
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	28,304,166	37,213,772
Provision for credit losses	1,086,471	1,510,017
Proceeds from non-refundable fees and deposits	28,183,577	46,312,052
Amortization of entrance fees	(20,238,981)	(27,614,782)
Loss on early extinguishment of debt	45,454	-
Unrealized gain on investments and change in fair value of funds held in trust by others	(12,685,839)	(11,841,161)
Realized gain on investments	(35,942)	(1,460,655)
Loss on sale of community and disposals of property and equipment	36,272	157,509
Equity received from tax credit partners	(22,918)	(17,054)
Contributions restricted for long-term purposes	(350,910)	(115,015)
Amortization of deferred financing costs	166,801	224,344
Amortization of bond premium	(264,100)	(399,903)
Amortization of bond discount	98,088	173,219
Amortization of goodwill	3,175,955	4,375,908
Changes in assets and liabilities		
Accounts receivable	(1,611,284)	(1,620,846)
Entrance fee receivable	1,342,549	(1,028,205)
Other assets	(1,040,340)	(3,148,319)
Accounts payable	(3,168,971)	1,079,659
Accrued expenses	(97,244)	(178,015)
Other liabilities	311,168	(1,379,528)
Net cash provided by operating activities	37,239,643	56,797,616
Cash Flows From Investing Activities		
Acquisition of property and equipment	(25,671,611)	(36,028,104)
Purchases of investments	(29,925,086)	(50,887,691)
Proceeds from sale of investments	32,689,386	32,440,235
Net cash used in investing activities	(22,907,311)	(54,475,560)
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	(5,445,383)	(7,443,789)
Proceeds from refundable entrance fees and deposits, resales	2,546,307	2,766,275
Principal payments on redemptions of long-term debt	(8,091,716)	(9,202,062)
Proceeds from issuance of long-term debt	14,292,647	156,584
Early payoff of long-term debt	(14,092,647)	-
Financing costs incurred	(76,500)	-
(Repayments) borrowings on lines of credit	(2,680,405)	9,140,482
Equity received from tax credit partners	22,918	17,054
Contributions restricted for long-term purposes	350,910	115,015
Net cash used in financing activities	(13,173,867)	(4,450,441)
Net change in cash, cash equivalents and restricted cash	1,158,466	(2,128,385)
Cash, cash equivalents and restricted cash, beginning	77,913,852	80,042,237
Cash, cash equivalents and restricted cash, ending	79,072,318	\$ 77,913,852
Cash and cash equivalents	\$ 9,011,372	\$ 7,852,906
Restricted cash in investments	70,060,946	70,060,946
Total cash, cash equivalents and restricted cash	79,072,318	\$ 77,913,852