

Pine Run Village

Statements of Financial Position

February 28, 2026 and December 31, 2025

	<u>February 28, 2026</u>	<u>December 31, 2025</u>
Assets		
Cash and cash equivalents	\$ 3,300	\$ 3,300
Investments	144,512	142,410
Statutory Liquid Reserve	3,513,799	3,374,211
Accounts receivable, net	2,156,597	2,415,273
Property and equipment, net	85,415,198	85,797,735
Due from affiliates	12,022,024	11,551,965
Goodwill	22,580,803	23,082,598
Other assets	905,205	1,010,355
	<u>126,741,437</u>	<u>127,377,847</u>
Total assets	<u>\$ 126,741,437</u>	<u>\$ 127,377,847</u>
Liabilities and Net Assets		
Accounts payable	\$ 545,360	1,429,357
Accrued expenses	1,790,735	1,883,533
Resident deposits	1,169,486	1,033,690
Entrance fees payable	5,874,772	5,982,852
Other liabilities	107,556	93,262
Long-term debt, senior living	77,100,399	77,089,684
Deferred revenue from entrance fees	32,180,035	32,233,615
	<u>118,768,344</u>	<u>119,745,992</u>
Total liabilities	<u>118,768,344</u>	<u>119,745,992</u>
Net Assets		
Without donor restriction	7,789,467	7,478,574
With donor restriction	183,626	153,281
Total net assets	<u>7,973,093</u>	<u>7,631,855</u>
Total liabilities and net assets	<u>\$ 126,741,437</u>	<u>\$ 127,377,847</u>

Pine Run Village

Statements of Operations and Changes in Net Assets

Period ended February 28, 2026 and year ended December 31, 2025

	<u>February 28, 2026</u>	<u>December 31, 2025</u>
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	\$ 7,104,867	\$ 42,564,997
Amortization of entrance fees	1,055,860	4,871,180
Total resident services	<u>\$ 8,160,727</u>	<u>47,436,177</u>
Contributions, gifts, grants and bequests	316	5,315
Other revenues	-	331,480
Net assets released from restrictions	<u>-</u>	<u>765,649</u>
Total operating revenues and other support	<u>\$ 8,161,043</u>	<u>48,538,621</u>
Expenses:		
Nursing services	1,808,159	11,499,908
Rehabilitation	296,630	1,632,737
Recreation and special services	170,355	1,007,291
Pharmacy	57,954	426,097
Social Services	27,081	193,654
Physician Services	5,000	39,174
Dining Services	1,004,167	5,917,386
Building operations and maintenance	1,312,597	6,209,744
Housekeeping	201,205	1,241,551
Laundry	28,359	250,752
Management and general	990,464	5,816,334
Employee Benefits	334,659	1,769,626
Interest	759,254	4,549,498
Depreciation	480,041	2,659,361
Amortization	501,796	3,010,774
Fundraising	<u>21,109</u>	<u>121,537</u>
Total expenses before non-recurring expenses	<u>7,998,829</u>	<u>46,345,426</u>
Operating income before gains and losses	162,214	2,193,195
Loss on sale and disposal of property	<u>-</u>	<u>(44,830)</u>
Operating income	<u>162,214</u>	<u>2,148,364</u>
Other income:		
Investment income, net of investment expense	11,791	174,695
Unrealized gain on investments	<u>136,888</u>	<u>502,005</u>
Total other income	<u>148,679</u>	<u>676,700</u>
Revenues in excess of expenses	<u>310,893</u>	<u>2,825,064</u>
Increase in net assets without donor restrictions	<u>310,893</u>	<u>2,825,064</u>

Pine Run Village

Statements of Operations and Changes in Net Assets

Period ended February 28, 2026 and year ended December 31, 2025

	<u>February 28, 2026</u>	<u>December 31, 2025</u>
Net Assets With Donor Restrictions		
Contributions, gifts, grants and bequests	30,345	218,051
Net assets released from restrictions	<u>-</u>	<u>(765,649)</u>
Increase (decrease) in net assets with donor restrictions	<u>30,345</u>	<u>(547,599)</u>
Increase in net assets	341,238	2,277,465
Net Assets, Beginning	<u>7,631,855</u>	<u>5,354,390</u>
Net Assets, Ending	<u>\$ 7,973,093</u>	<u>\$ 7,631,855</u>

Pine Run Village

Statements of Cash Flows

Period ended February 28, 2026 and year ended December 31, 2025

	February 28, 2026	December 31, 2025
Cash Flows From Operating Activities		
Increase in net assets	\$ 341,238	\$ 2,277,465
Adjustments to reconcile increase (decrease) in net assets (deficit) to net cash provided by (used in) operating activities		
Depreciation	480,041	2,659,361
Provision for credit losses	15,601	18,824
Proceeds from non-refundable fees and deposits	1,029,996	9,277,205
Amortization of entrance fees	(1,055,860)	(4,871,180)
Unrealized gain on investments and change in fair value of funds held in trust by others	(136,888)	(502,005)
Loss on sale of community and disposals of property and equipment	-	44,830
Amortization of deferred financing costs	3,853	24,002
Amortization of bond discount	6,863	41,177
Amortization of goodwill	501,796	3,010,774
Changes in assets and liabilities		
Accounts receivable	(1,330)	259,558
Entrance fee receivable	244,405	217,295
Other assets	105,150	(289,242)
Accounts payable	(883,997)	374,546
Accrued expenses	(92,797)	92,446
Other liabilities	14,295	(58,873)
Net cash provided by operating activities	<u>572,364</u>	<u>12,576,183</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(97,504)	(6,211,101)
Purchases of investments	(6,734)	83,793
Proceeds from sale of investments	1,933	1,750,150
Due from affiliates, net	(470,059)	(4,861,485)
Net cash used in investing activities	<u>(572,364)</u>	<u>(9,238,644)</u>
Cash Flows From Financing Activities		
Refunds of entrance fees and deposits	-	(1,255,025)
Principal payments on redemptions of long-term debt	-	(1,855,292)
Net cash used in financing activities	<u>-</u>	<u>(3,110,317)</u>
Net change in cash, cash equivalents and restricted cash	(0)	227,222
Cash, cash equivalents and restricted cash, beginning	<u>439,195</u>	<u>211,973</u>
Cash, cash equivalents and restricted cash, ending	<u>\$ 439,195</u>	<u>\$ 439,195</u>
Cash and cash equivalents	\$ 3,300	\$ 3,300
Restricted cash in investments	435,895	435,895
Total cash, cash equivalents and restricted cash	<u>\$ 439,195</u>	<u>\$ 439,195</u>